



The second page must be signed to process your credit application

Application for Credit, Acknowledgement of Terms and Security Agreement

(Central States Industrial Equipment & Service Inc. "CSI")

Legal Company Name [ ] (Enter full legal name. Do not abbreviate.)

Doing Business As [ ]

Year Business Established [ ] Fed. Tax No. (or SSN) [ ] State of Incorporation or Organization [ ]

We do business as a (check one) [ ] Corporation [ ] Partnership [ ] Sole Proprietor [ ] Limited Partnership [ ] Limited Liability Corporation [ ] Other (describe) [ ]

If subsidiary of another corporation: Parent's Legal Name [ ]

Type of business [ ] Distributor [ ] Electrical Contractor [ ] Engineering/Consulting [ ] Processor/User [ ] O.E.M. [ ] Mechanical Contractor [ ] Fabricator/Installer [ ] No Sanitary Potential [ ] Other (describe): [ ]

Bill to address

Physical address

Line 1 [ ]

Line 1 [ ]

Line 2 [ ]

Line 2 [ ]

City [ ] State [ ] Zip Code [ ]

City [ ] State [ ] Zip Code [ ]

Country [ ]

Country [ ]

Phone [ ]

Website [ ]

Purchasing Agent Contact [ ]

Phone [ ] Email [ ]

Accounts Payable Contact [ ]

Phone [ ] Email [ ]

A/P Email -Invoices [ ] [ ] Send Monthly Statements

PLEASE LIST FOUR COMPANIES YOU DO BUSINESS WITH (REQUIRED; USED TO ESTABLISH CREDIT HISTORY)

Company [ ] Phone [ ] Email [ ]

Company [ ] Phone [ ] Email [ ]

Company [ ] Phone [ ] Email [ ]

Company [ ] Phone [ ] Email [ ]

## Terms and Security Agreement

Following CSI's decision to approve Your application, the following terms will apply to Your responsibility to repay CSI.

- 1. ACKNOWLEDGE OF PAYMENT TERMS.** You acknowledge that all amounts You owe CSI are due and payable thirty (30) days from the date of invoice. You agree to make payments based on the terms contained in this Agreement.
- 2. LATE PAYMENT AND INTEREST.** IN EXCHANGE FOR CSI PROVIDING CREDIT, YOU AGREE THAT IF YOU DO NOT PAY THE AMOUNTS OWED TO CSI WHEN DUE, YOU SHALL REIMBURSE CSI FOR ALL COSTS, EXPENSES, CHARGES, AND FEES INCURRED BY CSI IN ORDER TO COLLECT THE AMOUNT DUE. EXAMPLES OF ITEMS THAT CSI MAY INCUR INCLUDE (BUT ARE NOT LIMITED TO) (a) COLLECTION AGENTS' FEES, ATTORNEYS' FEES, FILING FEES, AND ANY OTHER COLLECTION-RELATED FEES, (B) INTEREST ON SUCH FEES, AND (C) INTEREST ON THE AMOUNT YOU OWE CSI. THE INTEREST ON THE AMOUNT YOU OWE TO CSI WILL BE CALCULATED AT A RATE OF EIGHTEEN PERCENT (18%) PER YEAR COMPOUNDED MONTHLY OR AT THE HIGHEST RATE OF INTEREST PERMITTED BY APPLICABLE LAW, WHICHEVER IS LESS.
- 3. CORRECTNESS OF APPLICATION.** You affirm that the information in Your application is true and correct. You authorize CSI to confirm such information to CSI's satisfaction.
- 4. TERM AND CREDIT LIMIT.** If CSI approves Your application, CSI shall provide You with an acknowledgement that will show Your credit limit. Once approved this Agreement shall have a term of one (1) year and shall automatically renew for consecutive one (1) year terms unless either CSI or You terminate this Agreement at least thirty (30) days prior to the start of any renewal.
- 5. CREATION OF SECURITY INTEREST.** In exchange for CSI extending credit (if Your application is approved), You agree to grant CSI a security interest in the materials and goods and any other property or proceeds described in paragraph 6 below (the "Collateral") in order to secure Your payment of amounts owed to CSI; regardless of when such amounts may become due (i.e. now or in the future).
- 6. COLLATERAL.** When the term "Collateral" is used in this Agreement, it means all inventory, equipment, and goods manufactured by or distributed by CSI that are directly or indirectly sold, consigned, or delivered, to You or for Your benefit by CSI. The security interest You grant to CSI under this Agreement, applies to all inventory, equipment, and goods wherever located and whether owned by You now or acquired by You in the future. The Collateral also includes: all accessions, accessories, supplies, and parts of such Collateral; all repossessions and returns; and all proceeds of such Collateral; as well as all related existing or subsequently arising, accounts and accounts receivable and supporting obligations which may from time to time come into existence during the term of this Agreement.
- 7. YOUR OBLIGATIONS.** You will insure the Collateral against all expected risks until this Agreement is terminated. You will notify CSI in writing fifteen (15) days prior to any: (i) change(s) in the location of the Collateral, (ii) change(s) in the location of Your primary office, (iii) change(s) in Your state of organization, (iv) change(s) in Your state of residence, or (v) change(s) in Your name.
- 8. DEFAULT.** You will be in default of this Agreement (i) if You fail to pay any amount when due, (ii) if a bankruptcy or insolvency proceeding is started by or against You, (iii) if You make any assignment for the benefit of a creditor, or (iv) Your noncompliance with any covenant or obligation under this Agreement, or (v) if You die or become insolvent.
- 9. CSI'S RIGHTS AND REMEDIES.** CSI may assign this Agreement, and (i) if CSI does assign this Agreement, the assignee shall be entitled, upon notifying You, to expect that You will honor Your obligations, and (ii) You will not make any claim or defense that You may have against CSI or its assignee except those granted in this Agreement. If You default, CSI can exercise any rights under the Uniform Commercial Code, including but not limited to Article 9, and may exercise its rights of enforcement under the Uniform Commercial Code in the State where the Collateral is located and may require You to assemble the Collateral, make the Collateral available to CSI, or allow CSI to take possession or dispose of the Collateral or to render it unusable.
- 10. MUTUAL AGREEMENTS.** (i) "You" (or "Your") and "CSI" as used in this Agreement include the respective heirs, executors or administrators, and successors or assigns of those parties. (ii) The law governing this Agreement will be that of the State of Missouri. (iii) If more than one individual is seeking credit under this Agreement, their obligations under this Agreement are joint and several. (iv) This Agreement does not waive CSI's rights under any other agreement that You have with CSI and all of CSI's rights are cumulative. (v) Any legal action brought by either party arising out of this Agreement shall be brought in the Circuit Court of Greene County, Missouri or the U.S. District Court for the Western District of Missouri located in Greene County, Missouri. Neither party will make any objections (for any reason) to such venue.
- 11. UCC FINANCING STATEMENT.** You authorize CSI to execute and file a financing statement and take whatever other actions CSI may reasonably think necessary to perfect and continue the proper perfection and priority position of CSI's security interest in the Collateral. Your authorization allows CSI to do all acts and things which CSI deems necessary to perfect and continue perfection of the security interest created by this Agreement and to protect the Collateral. A photographic or other reproduction of this Agreement is sufficient as a financing statement. You also authorize CSI to file a UCC-1 Financing Statements or alternatively, to perfect CSI's security interest.
- 12. PARTIAL INVALIDITY.** If any of the provisions contained in this Agreement are determined by a court of competent jurisdiction to be invalid, such invalidity shall not affect any other provision in this Agreement, and this Agreement shall be construed as if such invalid provision had not been included.

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### The application must be signed to process your credit application

Signature and Printed Name of President / Officer / Partner / Owner of Applicant

Date

Signature, Printed Name, and Title of Authorized CSI Employee

Date