



10650 Hwy 80 East
 Montgomery, AL 36117
 P 800.633.5766

Credit Office
 1 Banks Avenue
 Superior, WI 54880
 P 715.395.6701 F 715.392.3931

CREDIT APPLICATION AND SECURITY AGREEMENT

Legal Name: _____ (hereinafter "Applicant") Doing Business

As: _____ Telephone No. _____ Facsimile No. _____

Billing/Street Address: _____

City: _____ State & Zip: _____

Shipping Address: _____

City: _____ State & Zip: _____

Type of Business: _____

Duns No.: _____ Years in Business: _____ Website: _____

Corporate Information: Corporation Partnership LLC Proprietorship State of incorporation _____

EIN # _____ Charter # _____

Principals, Officers, or Owners: Name: _____ Title: _____:

A/P Contact: _____ Telephone No.: _____ Email Address: _____

Trade References: *Please provide all info below....we send for references via email...*

<u>Company</u>	<u>City, State</u>	<u>Telephone No.</u>	<u>Email Address** important**</u>
1. _____	_____	_____	_____
2. _____	_____	_____	_____
3. _____	_____	_____	_____
4. _____	_____	_____	_____

If a credit limit in excess of \$100,000.00 is needed, current financial statements may be required.

Will purchases be taxable? YES ____ NO ____ (If "no" – **Please attach a signed Resale Tax Certificate.**)

KER is authorized to check Applicant's credit and credit history and to answer questions posed to it by others about Applicant's credit experience with KER.

TERMS & CONDITIONS and SECURITY INTEREST (see page 2)

Person signing this application on behalf of Applicant, personally represents and warrants that he/she has full authority to do so.

Date: _____ Signed: _____

Print Name: _____ Title: _____

Initials needed on second page.....

TERMS AND CONDITIONS

Applicant agree(s) that the following terms and conditions shall apply to all credit extended to Applicant by Kershaw Equipment LLC., herein referred to as KER or Secured Party.

1. Accuracy of Statements: All invoices, delivery tickets, or statements for goods or services sold to Applicant shall be deemed to be accurate unless KER is notified in writing of any alleged discrepancies within ten (10) days following its delivery to Applicant or its representative. Any such notice should be addressed and delivered to KER at 10650 Hwy 80 East, Montgomery, AL 36117.
2. Responsibility for Charges to Account: KER shall not be required to verify the authority of any person who it, in good faith, believes to be authorized to act on Applicant's behalf in incurring charges to Applicant's account and Applicant agrees to be responsible for the payment of all charges made to its account.
3. Payment Terms: *Unless otherwise specified* on any invoice or statement delivered to Applicant, all sums owed to KER shall be **30 days** from the invoice date. A service charge in the amount of one and one-half percent (1.5%) per month, or the maximum rate permitted by law, whichever is less, shall be assessed on any balance remaining unpaid more than thirty (30) days after the invoice date. All payments shall be made to Kershaw at Kershaw Equipment LLC, 27501 Bella Vista Parkway, Warrenton, IL 60555, unless KER hereafter notifies Applicant in writing to send payment to a different address.
4. Rights Retained by KER reserves the right to revoke or terminate any credit account or arrangement offered to Applicant and to alter or amend the terms or conditions on which any such credit may be extended. KER may establish credit limits with respect to any credit account and may change any such credit limit at any time without prior notice.
5. Collection Costs: If KER refers Applicant's account for collection or otherwise undertakes efforts to collect its account, Applicant agrees to pay all attorneys' fees, court costs, and other expenses reasonably incurred in connection with such collection efforts.
6. Delay in Enforcement/Waivers: KER may delay or waive enforcement of any of the provisions of this agreement, including Applicant's agreement to make timely payments, without losing its right to enforce the same provision later or to enforce any other provision of this agreement. Applicant waives the right to receive notice of any waiver or delay or presentment, demand, protest, or dishonor and waives any applicable statute of limitations and all statutory exemption to the full extent permitted by law.
7. Change of Name or Address: Applicant agrees to notify KER immediately in writing of any changes in its name, address or status of its business.
8. Applicable Law: The terms and enforcement of this agreement shall be governed by the law of the State of Alabama and Applicant agrees to submit to the personal jurisdiction of the state and federal courts in Alabama with respect to any legal actions or proceedings relating to any credit extended to it by KER. This agreement and all other agreements made or entered into with respect to any credit offered or extended to Applicant by KER shall be deemed made and entered into at KER's office in Montgomery, AL.
9. Additional Rules and Regulations: KER may from time to time issue additional rules or regulations which may be applicable to all, or to any one or more specific types of credit accounts established by Applicant, which rules and regulations may add to, modify or otherwise vary the terms and conditions set forth herein and which, upon issuance by KER and delivery of a copy thereof to Applicant, shall be deemed incorporated into these terms and conditions for the purposes of such credit accounts.
10. Applicant Warranty: Applicant represents and warrants that all information set forth herein and all other information provided by Applicant in connection with this Credit Application is true and correct. Applicant understands that KER will rely upon such information in making its determination of whether or not to extend credit to Applicant. Applicant understands that KER will retain this Application, whether or not it is approved. KER is authorized to check Applicant's credit and bank references and credit history and to answer questions posed to it by others about Applicant's credit experience with KER.

Security Interest: To secure payment and performance of all obligations, Customer hereby grants Kershaw Equipment LLC (Creditor), hereby referred to as the "Secured Party", a continuing purchase money security interest in all inventory, equipment, and goods manufactured by or distributed by the Secured Party, whenever sold, consigned, leased, rented or delivered, directly or indirectly, to or for the benefit of Customer by the Secured Party, wherever located, now owned and hereafter acquired including but not limited to any new and used Kershaw branded machines; and all replacement parts, attachments, and accessories including repossessions, returns, trade-ins; and all proceeds including insurance, cash and non-cash proceeds from the sale, lease or rental thereof; and all existing or subsequently arising accounts and accounts receivable, all books, records, contracts, chattel paper, general intangibles and supporting obligations which may from time to time hereafter come into existence during the term of this Security Agreement. The Secured Party's purchase money security interest is explicitly limited to outstanding obligations between the Secured Party and Customer.

Customer will maintain the collateral in original condition but for the ordinary wear and tear, and will insure the collateral against all expected risks. Customer will not subject the collateral to any adverse encumbrance or lien, or sale or other transfer other than as approved in writing by Secured Party including through this agreement. If customer fails to timely make any payment, the Secured Party may repossess and remove and product(s) from customer with or without notice. Customer will not locate the collateral at any location other than as known to the Secured Party. The following constitute customer defaults: (i) Failure of Customer to pay any obligations which become due according to the terms of any invoices, or any other amount payable to Secured Party when due; (ii) Failure of Customer to observe or perform any of Customer's obligations herein; (iii) Bankruptcy, insolvency, or assignment for the benefit of creditors; (iv) Misrepresentation in respect of any provision of this or any agreement between the Secured Party and Customer. In the event of default the Secured Party may declare all unpaid balances due and payable and or may require Customer to assemble the collateral and make it available to allow the Secured Party to take possession or dispose of the collateral. Customer authorizes Secured Party to file a UCC Financing Statement describing the collateral.

Initials _____