

CREDIT APPLICATION cont'd

To: Pro-Line Fittings East Inc. (hereafter referred to as the "supplier")

- 1) The above noted company (the "Company"), hereby applies for a credit account. The Company and the undersigned Directors/Officers (the "Directors") grant the Supplier and reporting agencies consent to the collection, use and disclosure of such personal information as appropriate for normal and reasonable business requirements within the purpose of the Personal Information Protection Act. The Company and the Directors further authorize the Supplier or its' agents to obtain credit information from reporting agencies (including the Suppliers bank) and authorizes them to disclose to the Suppliers credit information that may be necessary in establishing and maintaining an account.
- 2) The Company agrees to pay the Suppliers' account in full 30 days for the statement at the Suppliers' office or its' mailing address, and to pay interest on all amounts over this 30 day period at a rate of two (2%) present per month (26.8% per annum). The Company also agrees to the following:
 - a) On approval of credit, a credit limit will be established by the Credit Department and the Sales Representative. Orders received when the Customer is over this credit limit will be accepted solely at the discretion of the Credit Department;
 - b) All credit privileges are automatically terminated with the receipt of an NSF cheque. Credit privileges will be withheld until satisfactory arrangements are made regarding the full outstanding balance;
 - c) Accounts were payment has not been received within 30 days of advertising will be subject to cancellation without further notice and all orders will be handled C.O.D. only or solely at the discretion of the Credit Department;
 - d) Unidentified and lump-sum on account payments will apply to the oldest invoices or charges in the account unless specifically directed at the time of payment;
 - e) A Returned Goods Authorization Form issued the Supplier must accompany goods which are returned. The Supplier reserves the right to refuse the return of any item(s) that are not a regular stocked item with the Supplier. Credit is subject to the inspection of the goods. On items that are acceptable for credit, a restocking charge of twenty-five (25%) will be assessed against the credit to cover our handling and/or inspection or repackaging and based on the value of the goods at the time of purchase. Freight on the returned goods will be the responsibility of the customer unless the reason for the return is due to defective goods. All goods returned must be in saleable condition;
 - f) The Suppliers' non-returnable merchandise is all non-stocking, special, custom made, modified products, and parts are not returnable;
 - g) The Company agrees to pay the Supplier all losses, costs, expenses and fees arising from, or related to, purchases made on this account and efforts to collect payment for those purchases;
 - h) The Supplier reserves the right to change the aforementioned Terms and Conditions of Sales without notice.

The Company has read and understood the Suppliers' Terms of Credit as indicated above and agree to abide by them. The Company understands that the Company is responsible and liable for payment of all goods supplied, or on behalf, of the Supplier.

Company Name: _____

Signed (by authorized signatory): _____ Date: _____

Signed (by Director/Officer): _____ Date: _____

Notice of Guarantee

1. In consideration for Pro-Line Fittings East Inc. (hereinafter referred to as the "Supplier"), supplying goods and extending credit or continuing to extend credit from time to time,

To: _____ (hereinafter referred to as the "Customer")

Of: (City/Municipality) _____ (in the Province of) _____

I: (hereinafter referred to as the "Guarantor") HEREBY GUARANTEE the Supplier the due and regular payment of all monies the Customer owes or at any time and from time to time herein might owe the Supplier for goods supplied or for any other reason;

2. The Guarantor waives notice of acceptance of the Guarantee by the supplier;
3. The Guarantor authorized the Supplier to extend any amount of credit to the Customer from time to time, to extend the period of credit to hold over or to renew any of the Customers' bills, notes, or other securities as the Supplier may at any time hold, to increase or reduce the rate of interest on any such indebtedness, to grant to the Customer any other indulgence, to compound or otherwise compromise with the Customer as the Supplier may decide, or to add or release any one or more Guarantors without notice to the Guarantor and without discharging or in any way affecting the liability of the Guarantor herein;
4. This is a continuing guarantee to cover the total liability of the Customer to the Supplier and remains in force until revoked by notice in writing signed on behalf of the Guarantor and proved received by the Supplier, but such revocation does not release the Guarantor from any liability in respect of the debts incurred by the Customer before the date of revocation;
5. This is an absolute Guarantee of payment and the Supplier may have recourse against the Guarantor without notice if default by the Customer and without first exhausting its other remedies;
6. All debts and claims that the Guarantor may at any time have against the Customer are postponed to the claim of the Supplier and all monies the Guarantor may from time to time receive from the Customer shall be held for the accounts of any paid over to the Supplier to the extent that the Guarantor may lawfully do so;
7. Until all indebtedness hereby guaranteed has been paid in full, the Guarantor has no right of subrogation unless expressly granted in writing by the Supplier;
8. Any notice of demand given by the Supplier to the Guarantor of the Customer may be served personally or be sent by ordinary mail addressed to the Guarantor or the Customer at the address last known to the Supplier and any notice so served or mailed shall be deemed to have been received by the Customer or the Guarantor when delivered if personally served, or two days after being mailed in any post office box in Canada;
9. This Guarantee shall be valid notwithstanding any change or changes in the name of the Customer or the firm of the Customer or any change or changes in the membership of the said firm or Customer by death, retirement of one or more members, or by the introductions of one or more partners, owners of directors;
10. This Guarantee binds the undersigned and its' successors and assigns and, where the Guarantor is a natural person, their heirs, executors, administrators, and assigns of the Guarantor;
11. This Guarantee ensures to the benefits of the Supplier, its' successors and assigns.

In witness whereof this Guarantee has been duly executed at the City/Municipality of _____

In the Province of _____ this _____ day of _____ 20_____.

Witness Name: _____ Address: _____

Telephone: _____ Occupation: _____

Guarantor: _____