

Mega Parts Distributors, Inc. dba Mega Machinery Co.

CUSTOMER CREDIT APPLICATION

The undersigned, applicant is applying for credit with Mega Machinery Co. Inc. and agrees to abide by the Terms and Conditions set forth by Mega Machinery Co. Inc.

Please complete fully & return via fax: 619-561-9507 Please: Type or Print

Date:	Credit Line Desired:	Purchase Order Required (Circle One)	YES	NO
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Applicant / Company Name:

Address: _____ City _____ State _____ Zip Code _____

Billing Address (if different from above)

Business Phone Number: _____ Business Fax Number: _____

Contact: Person regarding the account: _____ Federal Tax I.D. # or Social Security #: _____

(W9) must be submitted with credit application)

Principals Name _____ Title _____ SSN# _____

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Individual/Partnership/Corporation _____ In Business since: _____ Number of Locations: _____

Resale Number: (Note: Resale Privileges will not be extended until a signed resale card is on file.)

Names of Persons Authorized to place orders and make purchases on behalf of applicant:

1. _____ 2. _____

3. _____ 4. _____

BANK / TRADE REFERENCES

Bank / Branch _____ Phone: _____ Contact: _____

Bank / Branch _____ Phone: _____ Contact: _____

Business Credit References: _____ Address: _____ Phone/Fax numbers: _____

1. _____

2. _____

3. _____

Applicant authorizes Mega Machinery Co., Inc. *By signing, applicant understands and agrees to be bound by the attached terms and conditions to request information from banks and credit references listed above. Applicant agrees to pay all invoice when due.* Applicant further agrees, on all unpaid balances over 30, days interest at the rate of 1 1/2% per month, plus all costs of collection & incurring reasonable attorney's fees.

Applicant Signature Title Date

TERMS AND CONDITIONS

I. GENERAL TERMS AND CONDITIONS

- A.** Normal terms of payment are cash upon receipt of goods or on equipment and rental. In consideration of any approved extension of credit, it is agreed by the undersigned that payment of all indebtedness resulting shall be due net thirty (30) days on each invoice incurred. The terms and conditions of Applicant's purchase order or sales and rental agreement which might be in addition to, or conflict with the terms and conditions set forth herein, or in Mega Machinery Co. Inc. is written Rental or Sales Agreements are wholly void for all purposes and shall not apply to rental, lease, sale or shipment of the equipment or material of Mega Machinery Co., Inc. unless such modification is authorization and accepted in writing by the Manager of Mega Machinery Co., Inc. Applicant agrees that equipment rental hereafter will be subject to the terms and conditions of the standard Mega Machinery Co., Inc. equipment rental contract then in effect, unless otherwise agreed in writing signed by Mega Machinery Co., Inc.
- B.** The foregoing Credit Application and Agreement shall be effective for, and enforceable with respect to Applicant, as well as all successors and assigns of Applicant. However, this Agreement is not assignable by Applicant, without prior written consent of Mega Machinery Co., Inc.
- C.** All parts and equipment rented hereafter to Applicant are furnished AS IS, and WITHOUT WARRANTY OF MERCHANTABILITY OR FITNESS, provided however Mega Machinery Co., Inc. warrants it has good title to all rented equipment. Applicant waives all claims against Mega Engineering Co., Inc. for consequential damages arising from usage or rental of Mega Machinery Co., Inc. equipment.
- D.** If Customer purchases equipment or material, Customer agrees that title to all such equipment and materials shall not transfer to customer until the purchase price, together with all interest and other costs lawfully added to the purchase price, is paid in full.
- E.** Customer agrees to provide Mega Machinery Co., Inc. prompt written notice of any change in Customer's name, address, ownership or form of business entity.

II. PAYMENT TERMS

The standard terms of sale/lease for all Open Account purchases or rentals on Credit from Mega Machinery Co., Inc. are as follows.

- A.** All normal payment terms on invoices are net Thirty (30) days.
- B.** All indebtedness due to Mega Machinery Co., Inc. is due and payable in full at its office address 12215 Hwy 67 Lakeside CA 92040. All contracts, rental agreements, and sales are deemed to be made or consummated in San Diego County California.
- C.** The undersigned acknowledges that the equipment and other items to be purchased or rented from Mega Machinery Co., Inc. will be utilized on or for construction of improvements to real property in the State of California. It is agreed, therefore, that funds received by Applicant on projects using Mega Machinery Co., Inc. goods, equipment or services are held in trust for payment to Mega Machinery Co., Inc. Applicant gives Mega Machinery Co., Inc. permission to contact the Contractor, Owner or other participant on construction projects for which Mega Machinery Co., Inc. has provided or rented materials or equipment to verify payments released or withheld on such project.

III. REMITTANCE

- A.** When paying by invoices, your check remittance advice should indicate the amount and the invoice numbers being paid. When paying from the monthly statement, the amount and invoice numbers to be paid should be indicated on the statement and forwarded with the payment. If remittance information is not forwarded with the payment, the payment will be applied as Mega Machinery Co., Inc. determines.
- B.** Please show on your remittance advice any Credit Memorandum applied in arriving at the net total payments.

All Payments should be Mailed to:

Mega Machinery Co., Inc.

12215 Hwy 67

Lakeside, CA 92040

IV. DELINQUENT ACCOUNTS

- A. All unpaid invoices beyond our terms are considered delinquent. Delinquent accounts will be requested to make arrangements for payment in amounts sufficient to bring their account current. Past due balances will accrue a service charge. The service charge will be added to your statement. The service charge shall accrue on the unpaid principal balance delinquent at the rate of 1-1/2% per month simple, or the maximum interest amount allowed by law, whichever is less.
- B. Past due accounts are subject to being placed on a "Credit Hold," with subsequent purchases, rentals (including backorders) made on a C.O.D. (payment –with-order basis, or payment in advance for rentals prior to release of possession of the machine) until such time as arrangements are made to bring the account to a current basis, and Mega Machinery Co., Inc. approves of additional credit extensions thereafter. Accounts with balances beyond sixty (60) days are automatically placed on C.O.D. without further notice to the customer.
- C. While an account is on C.O.D. significant payments must be made to reduce the past due balance. If there is no reduction in the past due balance, Mega Machinery Co., Inc. will at its option suspend all further transactions. The only exception will be service parts for warranty which will be C.O.D.
- D. An account that is delinquent to the point where Mega Machinery Co., Inc. has suspended all transactions must satisfy at least the following requirements in order to restore open credit privileges.
 - 1.) Pay all past due balances.
 - 2.) Complete and submit a new current financial statement and other financial information as may be requested by Mega Machinery Co., Inc.
 - 3.) The financial information will be reviewed by Mega Machinery Co., Inc. Management and a decision made by Mega Machinery Co., Inc. as to the account's credit status.
- E. Mega Machinery Co., Inc. will also protect its interests by relying on secondary protection afforded by lien or bond claims. Therefore, Mega Machinery Co., Inc. reserves the right to file either a Mechanic's Lien or bond claim with Surety Company (on bonded work), whichever is appropriate. Retainages are not authorized nor permitted.

V. INCORRECT OR DISPUTED INVOICES

We are very anxious to correct or resolve all incorrect or disputed invoices promptly. Please bring these to the attention of your sales representative and our Credit Department immediately, in writing. When due, pay the correct amount, and identify what you contend to be the incorrect or disputed invoice giving the Credit Department written notice (along with supporting data) of a discrepancy or claim to justify the withheld amount within thirty (30) days.

VI. DELINQUENT ACCOUNT COLLECTIONS

Applicant agrees to pay attorney's fees and expenses over and above any balance due if an account is turned over for collection to an attorney.

VII. RETURN POLICY

- A. All sales are final, including equipment sales, parts, service, rentals, and leases. Merchandise will not be accepted for credit without prior authorization from Mega Machinery Co., Inc. Any approved return merchandise must be in new and saleable condition, as determined by Mega Machinery Co., Inc. inspection.
- B. Authorized return amount will be credited to purchaser's account at invoice price less 20% handling/return charge. Any returns must be made with the thirty (30) days of invoice date and accompanied with a sales invoice.
- C. Specially ordered items which are not returnable by Mega Machinery are non-returnable. Electrical components are non-returnable.
- D. Packaged parts (seal kits, gasket kits, etc.) must be in original manufacturer's sealed package.

