



The Underwood Companies

MAIN OFFICE & WAREHOUSE: 4450 COMMERCE DRIVE, SW ATLANTA, GA 30336
TELEPHONE (404) 691-1500 TOLL FREE (800) 365-1500 FAX (404) 699-7383

APPLICATION FOR OPEN ACCOUNT

An open account is offered to credit-worthy customers as a convenience in paying for their purchases each month. It is not intended to be an extension of financial credit for long periods of time. The following is submitted for opening such an account.

COMPANY NAME: _____

BILLING ADDRESS: _____

SHIPPING ADDRESS: _____

PHONE: (____) _____ FAX: (____) _____

EMAIL: _____

UNDERWOOD COMPANY CONTACT / SALESPERSON: _____

DATE EST: _____ CORPORATION: _____ PARTNERSHIP: _____ LLC: _____

IF TAX EXEMPT YOU MUST ATTACH A STATE EXEMPTION FORM.

MONTHLY CREDIT DESIRED: \$ _____

YOUR ACCOUNTS PAYABLE AGENT: _____

YOUR PURCHASING AGENT: _____

PRINCIPAL OWNER OR OFFICERS

NAME: _____ TITLE: _____

NAME: _____ TITLE: _____

TERMS OF AGREEMENT

The terms of sale on purchase(s) made from The Underwood Companies on open account are 1% 10 days, Net 30 days, from date of invoice. The account is subject to a finance charge for late payment of 1.5% per month (annual percentage rate: 18%) on the total past due balance at any time the past due balance includes any charge remaining unpaid 30 days after the date on which it was invoiced. If legal collection is necessary, applicant agrees to pay all costs of collection, including court costs and legal fees amounting to 15% (fifteen percent) of the total debt will be added as allowed by Georgia Statute. Applicant hereby agrees to and understands the above terms:

Signature _____ Date _____

Title _____

BANK: _____

ADDRESS: _____

PHONE NUMBER: (____) _____

TRADE REFERENCES: (Include trade references you have been purchasing from, on an open account basis, for at least one year.) You must include fax number.

SUPPLIER'S NAME: _____

MAILING ADDRESS: _____ FAX NO: (____) _____

CITY: _____ STATE _____ ZIP CODE: _____ PHONE: (____) _____

SUPPLIER'S NAME: _____

MAILING ADDRESS: _____ FAX NO: (____) _____

CITY: _____ STATE _____ ZIP CODE: _____ PHONE: (____) _____

SUPPLIER'S NAME: _____

MAILING ADDRESS: _____ FAX NO: (____) _____

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MAILING ADDRESS: _____ FAX NO: (____) _____

CITY: _____ STATE _____ ZIP CODE: _____ PHONE: (____) _____

SUPPLIER'S NAME: _____

MAILING ADDRESS: _____ FAX NO: (____) _____

CITY: _____ STATE _____ ZIP CODE: _____ PHONE: (____) _____

PARENT COMPANY (IF ANY): _____

ADDRESS: _____

TERMS AND CONDITIONS OF OUR SALE TO YOU

Due to the great variety of terms and conditions requested by some purchasers, we regretfully find it necessary to advise you of those under which we can operate. We hope you find them to be fair.

1. **LIMITATIONS OF LIABILITY** - "We", "our", "us", and "seller" refer to the specific subsidiary of John L. Underwood Co., Inc. from which you, the "purchaser", are purchasing and you as purchaser hereby acknowledge that you have dealt solely with the subsidiary of John L. Underwood Co., Inc. referenced on the front page of this invoice, acknowledgment, contract or quotation in connection with the sale or transaction evidenced by such documents, that the parent company and its other subsidiaries are not a party to this transaction, and that they shall have no responsibility or liability with respect to it.

2. **ACCEPTANCE** - We will make every effort to attach this document to all quotations, acknowledgments and invoices, since it defines all of our obligations. Where we incorporate this document in a proposal, this proposal expresses our entire undertaking and responsibility when the purchaser's written order is transmitted to us within thirty (30) days from the proposal date or a later date on which we mutually agree and when the purchaser's order is accepted by us at our office in Atlanta, Georgia. Any previous quotations, agreements, conversations, or understandings are superseded hereby. Under unusual circumstances, we will try to be accommodating about modifications. For both of our protection, we will only make modifications of this agreement in writing, signed by one of our authorized officers.

3. **LIMITED WARRANTY** - We guarantee that all products manufactured by us and sold in this transaction will be free of defects in workmanship and material for one year from the date of shipment from seller, except for problems associated with normal wear and tear. Upon being notified in writing within the seller's applicable guarantee period of a product that fails this warranty under normal and proper use, we will repair or replace the product as we may determine best fits the situation, without charge, FOB the nearest facility we deem suitable. Usually this will be Atlanta. When we are not the manufacturer of the products or components sold, such products and their components are not guaranteed by us and are subject to their manufacturers' guarantee only. Since it would increase the costs that would have to be included in our price to you, we will not be liable for any further costs, expenses, indirect expenditures or consequential damages of any kind including any removal or reinstallation costs or loss of profits. Deterioration or wear caused by chemicals, abrasive action, excessive heat or factors other than those specifically agreed to herein or in writing by a corporate officer shall not constitute defects under this warranty unless such conditions are expressly provided for by us in writing. Products or parts that have been subject to accidental damage, misuse by the user, unauthorized disassembly or alterations, improper installation or lack of proper lubrication or other service requirements established by the manufacturer will not be covered by warranty.

THE WARRANTY STATED HEREIN IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS, STATUTORY, OR IMPLIED, INCLUDING, WITHOUT LIMITATION, THAT OF THE MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

4. **TAXES** - Unless otherwise specifically noted in a proposal, prices quoted by us do not include any applicable city, county, state or federal taxes. All taxes to which a transaction is subject are to be borne by the purchaser, although we are willing to accept payments from the purchaser for taxes and remit them to the proper taxing authorities upon instruction from the purchaser.

5. **CODE RESPONSIBILITY** - Any expense involved in meeting federal, state or local codes shall be borne by the purchaser. Of course, we will make every effort to share our experience. Many codes, such as those referring to Occupational Safety and Health Administration matters are an employer's responsibility and cannot be delegated, in any event.

6. **COMPONENT EQUIPMENT** - Our sales proposals are based on supplying our chosen make of motors, controls, drives, and miscellaneous incidental equipment of the type required. If the purchaser specifies a particular brand of these devices, we reserve the right to charge any additional price involved, and our shipping estimate is subject to delays that may be required to obtain any non-stock item.

7. **SHIPMENT** - We will use all reasonable care in shipping equipment and will endeavor to make shipment within the time estimated. However, we assume no responsibility for loss of or damage to the equipment after shipment from our source or for unavoidable delays such as those caused by fire, strikes, carriers, or other causes beyond our control.

8. **ERECTION AND INSTALLATION** - We assume no responsibility for improper erection, installation, operation, or design of equipment. We will endeavor to offer reasonable advice and assistance without charge, if requested. .

9. **CANCELLATION COSTS** - All orders placed with and accepted by us are firm and not subject to cancellation except by mutual consent. However, we will attempt to minimize any losses we incur as a result of cancellation. These must be borne by the purchaser.

10. **CLAIMS** - Claims for shortages or damage to merchandise in transit should be made to the transportation company making delivery, as the purchaser is responsible for the risk of any damages in transit. Should any piece of equipment that was not damaged in transit prove defective, it will be repaired or replaced under the applicable warranty provided herein. Under no circumstances should any item be returned to us or the manufacturer from which we procured the item without making arrangements with us.

11. **UNAUTHORIZED FIELD REPAIRS** - The seller and its associated manufacturers will not be responsible for the costs of repairs made in the field unless they are made with the written consent of one of our authorized officers and the affected manufacturer, if any.

12. **PAYMENT TERMS** - Our terms of sale allow a 1% (one percent) discount for full payment received at our Atlanta office on or before the 10th day following invoice. Full net payments must reach that office by the 30th day after invoice date. The following finance charges will apply for later payment, unless other agreements supersede them for that sale only.

This account is subject to a finance charge for late payment of the lower of (A) the maximum allowable rate or (B) 1.5% per month (annual percentage finance rate 18%) on the total past due balance at any time that the past due balance includes any charge remaining unpaid 30 days after the date on which it was billed. There shall be no finance charge under a 'Consumer Credit Transaction' as defined under the Federal Truth in Lending Law.

13. **GOVERNING LAW** - This agreement has been executed in, and shall be governed by the laws of the State of Georgia.

14. **SECURITY AGREEMENT AND SECURITY INTEREST** - The purchaser agrees that the seller shall have and retain a security interest in the material furnished in this agreement. If full payment of all sums due is not received by us in accordance with the payment terms set forth above, we have the right to enter your premises and any other place where the material may be located and repossess the material. This right of repossession shall be in addition to and in no way a limitation of any rights or remedies we may have under law with this agreement by reason of your failure to pay.

15. **PURCHASER'S ACCEPTANCE OF ABOVE CONDITIONS** - This order shall be subject to the terms and conditions contained herein, and no other. This document with our written quotation contains the entire agreement between the parties, and there are no oral or additional written understandings, terms or conditions. The purchaser has not relied upon any conditions or representations not contained in this agreement. If the purchaser and seller desire modification of the terms and conditions on this or the other side, such modification shall be in writing, signed by an authorized officer of the seller and an authorized representative of purchaser. The purchaser's receipt of acknowledgment, quotation or invoice relating to this sale shall constitute an acceptance by the purchaser of all the terms and conditions contained herein other than any terms and conditions to which the purchaser shall promptly except by specific written objection and which the seller accepts in writing.

Thanks for doing business with us. We hope it continues to be a pleasant experience.