



HVAC DISTRIBUTORS, INC.

Credit Application, Agreement, and Guaranty

For the purpose of obtaining an extension of credit to purchase merchandise (“**Products**”) from HVAC Distributors, Inc. (“**HVAC**”), the undersigned (“**Applicant**”) submits the following information to HVAC. Applicant understands this information will be kept strictly confidential. Applicant authorizes the release of all pertinent financial and credit information by the listed financial and trade references, and Applicant hereby releases, discharges, and exonerates HVAC, its agents and representatives, and any party, company or agency which is contacted by HVAC in investigating the creditworthiness of Applicant.

TYPE OF ACCOUNT REQUESTED ___ COD ___ Credit Card ___ Open Account

FULL LEGAL NAME OF APPLICANT _____

STREET ADDRESS _____ P.O. BOX _____

CITY _____ STATE _____ ZIP CODE _____

TELEPHONE # _____ TELEFAX # _____

TRADE OR FICTITIOUS NAME(S): _____

STREET ADDRESS _____ P.O. BOX _____

CITY _____ STATE _____ ZIP CODE _____

TELEPHONE # _____ TELEFAX # _____

ARE YOU TAX EXEMPT? _____ *If yes, a copy of the tax-exempt form must be attached.*

IS THERE ANY PENDING LITIGATION INVOLVING THE APPLICANT OR OFFICERS?

(If yes, explanation must be provided.)

ARE THERE ANY OTHER NAMES UNDER WHICH THE APPLICANT TRANSACTS

BUSINESS? *(If yes, provide names.)* _____

NUMBER OF EMPLOYEES? _____ **ARE PREMISES OWNED** ___ **OR** ___ **LEASED?**

PROJECTED ANNUAL PURCHASES FROM HVAC \$ _____

AMOUNT OF CREDIT LINE REQUESTED \$ _____

FORM OF BUSINESS? ___ CORPORATION ___ PARTNERSHIP ___ SOLE PROPRIETORSHIP

CORPORATION: *List officers names below.* INCORPORATED: STATE _____ DATE _____

PRESIDENT _____ SOCIAL SECURITY # _____

HOME ADDRESS _____

VICE PRESIDENT _____ SOCIAL SECURITY # _____

HOME ADDRESS _____

PARTNERSHIP: *List partners names below; if more than two names, list on attached sheet of paper.*

PARTNER _____ SOCIAL SECURITY # _____

HOME ADDRESS _____

PARTNER _____ SOCIAL SECURITY # _____

HOME ADDRESS _____

BANK REFERENCES: *Not required for Credit Card only accounts.*

BANK NAME: _____ PHONE # _____ ACCOUNT # _____

STREET _____

CITY _____ STATE _____ ZIP CODE _____

BANK NAME: _____ PHONE # _____ ACCOUNT # _____

STREET _____

CITY _____ STATE _____ ZIP CODE _____

TRADE REFERENCES: *Not required for COD or Credit Card only accounts.*

TRADE REFERENCE: _____ PHONE # _____

STREET _____

CITY _____ STATE _____ ZIP CODE _____

TRADE REFERENCE: _____ PHONE # _____

STREET _____

CITY _____ STATE _____ ZIP CODE _____

TRADE REFERENCE: _____ PHONE # _____

STREET _____

CITY _____ STATE _____ ZIP CODE _____

NAME OF LICENSED HVAC TECHNICIAN *Attach a copy of the certification.*

NAME _____ CERT # _____

HVAC reserves complete discretion concerning all extensions of credit and shall have the right at any time, for any reason or no reason, to refuse to extend credit to Applicant. In the event HVAC extends credit to the Applicant, Applicant agrees to the following terms and conditions:

1. The HVAC Distributors, Inc. Standard Terms and Conditions of Sale shall apply to any purchase and sale of the Products.
2. Applicant shall pay all invoices within the terms of sale printed upon each invoice. A service charge of 1.5% per month, equal to an annual percentage rate of 18%, will be

charged on bills remaining unpaid after the 30th of the month following the month of purchase, and Applicant agrees to pay such charges.

3. Title to the Products shall pass immediately upon delivery to a carrier at the point of shipment for Products shipped direct from the manufacturer, or if the Products are shipped on a vehicle owned or operated by HVAC Distributors, title to the Products shall pass immediately upon delivery. Applicant hereby grants to HVAC a security interest (which shall be deemed a purchase money security interest) in all Products, to secure payment by HVAC for such Product. In the event of nonpayment by Applicant of any debt, obligation or liability now or hereafter incurred or owing by Applicant to HVAC, HVAC shall have all rights of, and all of the remedies available to, an unpaid secured creditor under the Pennsylvania Uniform Commercial Code (UCC), and all other rights and remedies available at law or in equity. Applicant agrees, and, to the extent permitted by law, HVAC is authorized to, execute and file whatever documents are necessary, including security agreements or financing statements, to evidence and perfect the security interest granted by this paragraph.
4. An account will be considered in default after any portion remains unpaid for 90 days from the invoice date.
5. This Application and Agreement shall be governed in all respect by the laws of the Commonwealth of Pennsylvania, without regard to its conflict of law principals. All actions commenced pursuant hereto shall be brought in a court of competent jurisdiction Lancaster County, Pennsylvania, or with respect to federal court actions, the Middle District of Pennsylvania. No actions arising out of the sale of the Products or this Application and Agreement may be brought by either party more than one (1) year after the cause of action accrues and the parties agree to submit to the exclusive jurisdiction of the appropriate court in the Commonwealth of Pennsylvania for purposes of resolving any dispute or claim arising in connection with said transactions.
6. In the event that Applicant's account is referred to an attorney or collection agency for collection, Applicant agrees that HVAC Distributors shall be entitled to collect, in addition to principal and accrued finance charges, a fee of 15% for collection added, plus out-of-pocket costs and expenses.

The undersigned, intending to be legally bound, hereby executes this Application and Agreement, and (i) if signing on behalf of a corporation, partnership, or other legal entity, warrants that he or she has the express authority to do so on behalf of the Applicant and (ii) hereby affirms that he or she has read and agrees to the terms of this Application and Agreement and that the information provided is true and correct.

SIGNED _____

TITLE _____

DATE _____

PERSONAL GUARANTY

In consideration for the extension of credit to the Applicant, the undersigned ("**Guarantor**") jointly and severally personally and unconditionally guarantees to HVAC Distributors, Inc. ("**HVAC**"), for the benefit of HVAC, (i) the prompt payment when due (whether by acceleration or otherwise) of all amounts owed by Applicant to HVAC in connection with the purchase of the Products, and (ii) all other obligations of Applicant arising under or in connection with the purchase of Products, including but not limited to interest and attorneys' fees.

Each undersigned Guarantor's liability under this Guaranty shall be several and not joint with any other guarantor. Guarantor hereby guarantees that the obligations of Applicant will be paid in accordance with HVAC's Standard Terms and Conditions of Sale, Master Dealer Agreement, and the terms of this Guaranty. This Guaranty is continuing and irrevocable, and Guarantor hereby knowingly accepts the full range of risk encompassed within a contract of "continuing guaranty," which risk includes the possibility that Applicant will contract additional indebtedness with HVAC for which Guarantor may be liable hereunder after Applicant's financial condition or ability to pay its lawful debts when they fall due has deteriorated, whether or not Applicant has properly authorized incurring such additional indebtedness.

Guarantor further acknowledges that (i) no oral representations, including any representations to extend credit or provide other financial accommodations to Applicant, have been made to induce Guarantor to enter into this Guaranty, and (ii) any extension of credit to Applicant shall be governed solely by the provisions of the Agreement. The liability of Guarantor under this Guaranty shall be absolute and unconditional, in accordance with its terms, and shall remain in full force and effect until the payment in full of the obligations, and shall not be released, suspended, discharged, terminated or otherwise affected by, any circumstance or occurrence whatsoever, including, without limitation, any waiver, indulgence, renewal, extension, amendment or modification of or addition, consent or supplement to or deletion from or any other action or inaction under or in respect of any agreement between HVAC and Applicant.

This Guaranty is a guaranty of payment and not of collection. HVAC shall be under no obligation to institute suit, exercise rights or remedies or take any other action against Applicant or any other person liable with respect to any of the guaranteed obligations or resort to any collateral security held by them to secure any of the guaranteed obligations as a condition precedent to any Guarantor being obligated to perform as agreed herein, and Guarantor hereby waives to the full extent permitted by law any and all rights which it may have by statute or otherwise which would require HVAC to do any of the foregoing. To the fullest extent permitted by applicable law, Guarantor hereby waives any rights to interpose any defense (other than the defense of payment in full of the obligations, to the extent of any such payment), counterclaim or offset of any nature and description which it may have or which may exist, including but not limited to failure of consideration, breach of warranty, fraud by Applicant, statute of frauds, bankruptcy, defenses and rights of a surety, infancy, statute of limitations, accord and satisfaction, and usury. This Guaranty is secured by the Products as collateral.

GUARANTOR _____

DATE: _____

ADDITIONAL GUARANTOR _____

DATE: _____

CREDIT INVESTIGATION AUTHORIZATION LETTER

To Whom It May Concern:

I hereby grant my permission and authorization for the release of credit and banking information to HVAC Distributors, Inc. This authorization is valid for both business and personal credit and banking purposes.

Signature: _____

Date: _____

Print Name: _____

Signature: _____

Date: _____

Print Name: _____