

KELLY LAKE BUILDING SUPPLIES LTD.
22 BRADY STREET, SUDBURY, ONTARIO P3E 6E1
PHONE: (705) 674-5283 FAX: (705) 671-2420

CREDIT APPLICATION AND AGREEMENT

Thank you for your request to become a KLBS credit customer. The following Credit Application and Agreement to KLBS terms and conditions must be fully completed, signed and returned by you before your credit request can be processed.

New Account _____ Credit Increase _____ Other Changes _____

GENERAL INFORMATION

Registered Name of Business: _____

Trade Name (if any): _____

Address: _____ City: _____

Province: _____ Postal Code: _____

Phone No: _____ Fax No: _____ Cell: _____

Email Address: _____

Mailing address (if different from above): _____

City: _____ Province: _____ Postal Code: _____

Legal Form: () Corporation () Sole Proprietor () Partnership

Parent Company (if any):

Name: _____ Phone No: _____

Names, home address, phone number and date of birth of the Principal (s), or Owner (s):

Date Business Commenced: _____ Avg. # of Employees: _____

Business property:

Owned () Name of Mortgage Holder: _____ Phone #: _____

Rented () Name of Landlord: _____ Phone #: _____

CREDIT INFORMATION

Bank Name: _____ Branch: _____ Acct: _____

Account Manager: _____

Credit Card #: _____ Expiry Date: _____

NOTE: The provision by you of your Credit Card account number shall, in the event that you do not, in the opinion of Kelly Lake Building Supplies, abide by Kelly Lake Building Supplies' terms and conditions of sales, constitute Kelly Lake Building Supplies' authority to process a Credit Card sales draft, for all or part of the outstanding balance owing by you to Kelly Lake Building Supplies.

TRADE REFERENCES:

Name: _____ Phone #: _____

Address: _____ Fax # _____

Name: _____ Phone # _____

Address: _____ Fax # _____

PERSONAL REFERENCES:

Name: _____ Phone # _____

Name: _____ Phone # _____

CREDIT REQUIREMENTS

Amount of Monthly Credit Requested: _____

If required, what type of security is available?

Personal Guarantee _____ Mortgage _____ Specific Assignment _____ Debenture _____

Please list all people that are authorized to purchase on your account:

1. _____ 2. _____

3. _____ 4. _____

TERMS AND CONDITIONS

This agreement governs all sales to you of KLBS products on terms and conditions set forth by KLBS or which may be established as policy from time to time by KLBS Management. Sales representatives or agents of KLBS are not authorized to amend or change the terms of sale or other terms and conditions of this agreement.

- 1. Terms of sale are net 30 days.
2. All claims against invoices must be made within 10 days after receipt of goods.
3. Accounts not paid by due date are subject to an interest charge from date of maturity at the rate of 2% per month (24% per annum) as shown on invoice/statement. Accounts to be paid cash, cheque or money order.
4. Balances in default of payment at Kelly Lake Building Supplies' discretion may be partly or fully satisfied by Kelly Lake Building Supplies processing a Credit Card sales draft on applicant's Credit Card account.
5. Goods may not be returned without prior authorization of KLBS.
6. Goods/merchandise authorized for return will be subject to a minimum 10% restocking charge. Further deductions may be made if the goods are returned in a depreciated state or if repackaging is required.
7. Further shipments may be withheld on overdue balances,
8. NSF cheques will be subject to a \$25.00 charge.
9. Failure to comply with these Terms and Conditions may result in cancellation of credit privileges without notice.
10. The applicant agrees to promptly notify KLBS of any changes in the applicant's business name, address, phone number or chief place of business.
11. The information given in the Application and Agreement is warranted to be correct and given for the purpose of obtaining credit.
12. The applicant authorizes Kelly Lake Building Supplies to obtain and/or exchange personal information with any personal information agent towards establishing or verifying my financial standing or with any person with whom the applicant has or purposes to have financial relations as may be required.
13. In the event that I wish purchases to be charged to my Credit Card as previously indicated, this shall be your good, sufficient and irrevocable authority for doing so.
14. In the event of non-payment of your account and legal proceedings are required, the below undersigned will be responsible for all legal costs and disbursements.

In consideration of the Supplier providing credit to the said Company

the Guarantor unconditionally guarantees all payments required to be made by the Company pursuant to the provisions of the line of credit, as well as the full, prompt and complete performance by the Company of each and everyone of the covenants, conditions and provisions to be observed and performed by the Company.

The guarantee is given by me, the Guarantor, as principal debtor and it is the express intention of the parties thereto that I, the Guarantor, is and shall be liable to the Supplier in the same manner and to the same extent as if I, the said Guarantor, has executed the line of credit.

I, the Guarantor, further agree that this guarantee shall not be deemed to have been waived, released, discharged, impaired or affected by reason of the assignment and/or re-assignment of the line of credit at any time and from time to time nor by reason of any extensions of time, indulgences or modifications granted by the Supplier, nor by reasons of the release of discharge of the Company in any creditor, receivership, bankruptcy or other proceedings.

In the event of any default under the line of credit, I, the Guarantor, hereby waive any right to require the Supplier to proceed against the Company or to exhaust its rights any remedies against the Company before proceeding against me the Guarantor. Upon any breach or default by the Company, this guarantee shall be deemed to have been breached.

I, the Guarantor, hereby expressly waive all notices of non-performance, non-payment, and non-observance on the part of the Company of the terms, covenants and provisions contained in the line of credit.

I, the Guarantor, acknowledge that credit would not have been granted by the Supplier without this Guarantee.

All terms, agreements, provisions and conditions of the Guarantee shall extend to and be binding upon me the Guarantor, my heirs, executors, administrators and assigns and shall ensure to the benefit of and be enforceable by the Chargee, its successors and assigns.

DATED at Sudbury, this _____ day of _____,

Witness (Kelly Lake Building Supplies Ltd.)

Signature of Guarantor (seal)

Witness - Please Print Name

Guarantor - Please Print Name