



Cerro Flow Products LLC

CREDIT APPLICATION

This Credit Application (the "Application") is made to Cerro Flow Products LLC, and all of its affiliates, divisions, subsidiaries and assigns (collectively the "Sellers") for the purpose of inducing Sellers to extend credit accommodation to the Applicant named below:

| | | | |
|--|------------------------|-------------------------|------------------|
| (Business Name/Trade Name)("Applicant") | () (Telephone No.) | () (E-Mail Address) | () (Fax No.) |
| (Business Address) | (City, State) | (Zip Code) | (County) |
| (Full Company Name - If Different From Trade Name) ("Applicant") | | (DUNS No.) | |
| (Billing Address - If Different From Business Address) | (City, State) | (Zip Code) | (County) |

COMPLETE APPLICABLE SECTION ONLY

1. Type of Entity: Corporation _____ LLC _____ Other (Specify) _____ State of Formation: _____ FEIN: _____
 Principal Stkhldr(s)/Member(s): _____
 OR
 2. Proprietor or #1: _____
 Partner Names #2: _____

3. Name of Payables Manager: _____ Phone: _____
 Address Where Bills Will Be Paid from: _____ By Whom: _____
 4. Applicant's Type of Business Is: _____ 5. Year Applicant Was Established or Incorporated: _____
 6. Applicant Has Operated from Its Current Address for _____ Years. 7. Applicant _____ Owns _____ Rents Its Present Place of Business
 List Name, Address & Phone No. of Landlord/Mortgage Holder: _____

8. Applicant's Supplier/Personal References (Preferably Other Manufacturers/Suppliers):

| | |
|--|--|
| (1) Reference: _____ Contact Person: _____ Address: _____ City/State/Zip: _____ Tele. No.: _____ | (3) Reference: _____ Contact Person: _____ Address: _____ City/State/Zip: _____ Tele. No.: _____ |
| (2) Reference: _____ Contact Person: _____ Address: _____ City/State/Zip: _____ Tele. No.: _____ | (4) Reference: _____ Contact Person: _____ Address: _____ City/State/Zip: _____ Tele. No.: _____ |

Bank References:

| | | | | | | |
|--------|-------|--------------|-----------|---------------|------------|-------------|
| (Bank) | A/C # | Bank Officer | (Address) | (City, State) | (Zip Code) | (Tele. No.) |
|--------|-------|--------------|-----------|---------------|------------|-------------|

9. Please Attach the Following:

- Latest Financial Statements for the Company
- Current State Sales Tax Exemption Certificate(s) for all "Ship to" Locations

10. Are the Applicant's Accounts Receivable, Inventory and/or Equipment Encumbered by a Present Lien or Security Interest: (If Yes to any, include on Line 14)

Accounts Receivable _____ Yes _____ No Inventory _____ Yes _____ No Equipment _____ Yes _____ No

11. Other Business Names Used by Applicant to Obtain Credit:

| | | |
|------------------|-----------|--------|
| (Full Firm Name) | (Address) | (Date) |
|------------------|-----------|--------|

11(a). Other Business Names Used by Applicant to Obtain Credit from Sellers:

| | | |
|------------------|-----------|--------|
| (Full Firm Name) | (Address) | (Date) |
|------------------|-----------|--------|

12. Estimated Annual Sales \$ _____
 13. Estimated Annual Purchases from Cerro Flow Products LLC \$ _____
 14. Outstanding Loans Made to Applicant:

| Name of Creditor/Lender | Type of Loan | Original Amt. Due | Present Amt. Due | Monthly Payment | Personal Guaranty |
|-------------------------|--------------|-------------------|------------------|-----------------|--|
| _____ | _____ | _____ | _____ | _____ | _____ |
| | | | | | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| | | | | | <input type="checkbox"/> Yes <input type="checkbox"/> No |

Applicant hereby certifies that the information furnished under this Application and any other financial statements furnished in connection herewith, is/are true, correct, complete, and that this information is being furnished to Sellers for the purpose of inducing Sellers to extend credit to Applicant, and understands that Sellers intend to rely upon such information. Applicant represents and warrants that it is solvent, generally able to pay its debts as such debts become due, and has capital sufficient to carry on its business. Applicant understands and agrees to be bound by the terms contained in this Application and all invoices and other documents furnished by Sellers from time to time, all of which are incorporated herein by reference, and to promptly advise Sellers of any material change in the information provided herein, including, but not limited to, change of ownership, address or telephone. Applicant understands that Sellers will retain this Application whether or not approved. Applicant hereby authorize Sellers to check from time to time Applicant's Business credit history and trade, bank and personal references (whether or not listed in this Application) for customary credit information. A copy (Xerox, carbon photograph, etc.) of this authorization and signature(s) of the undersigned, shall be deemed to be the equivalent of the original and can be used as such to confirm the information contained on this Application, including, but not limited to, sending a copy hereof to the trade, bank and personal references and to release information to other creditors regarding Applicant's credit experience with Sellers. **APPLICANT UNDERSTANDS THAT THE TERMS AND CONDITIONS CONTAINED HEREINAFTER ARE MATERIAL HERETO AND SPECIFICALLY MADE A PART HEREOF.**

 (Signature) (Print Name) (Date)

TERMS AND CONDITIONS

For and in consideration of the extension of credit by Sellers to Applicant, Applicant agrees to the following Terms and Conditions:

- Upon approval of this Application, Sellers in their sole discretion, and notwithstanding any request of Applicant, will assign Applicant a maximum credit line and shall have the right to increase, decrease or terminate Applicant's credit privileges under this Application at any time and without notice to Applicant, except as otherwise provided by law.
- All purchases by Applicant of goods and/or services from Sellers will be made in accordance with the Terms and Conditions of this Application and any invoice and/or other documents evidencing Applicant's obligations to Sellers, all of which are incorporated herein by this reference. Applicant agrees and understands that Sellers, at their sole discretion, may change the Terms and Conditions of this Application, its invoices and all other similar documents.
- Payment of the purchase price for goods and/or services acquired from Sellers shall be made pursuant to the terms set forth on each invoice, and Applicant agrees to pay all charges according to the payment terms established in said invoice. The entire outstanding balance due to Sellers on all invoices shall become due in full immediately upon default in the payment of any invoice. Applicant will pay a service charge of \$25.00 or the maximum allowed by law for each check returned by Applicant's bank.
- Applicant agrees to pay interest in the amount of 1½% per month, or the maximum rate that Applicant may lawfully contract to pay, whichever is less, and in all events calculated in accordance with applicable law, on any payment considered past due until collected. Applicant agrees to pay all costs of collection incurred by Sellers, including attorneys' fees and expenses, should a default in payment or any other obligation of Applicant occur. Notwithstanding the use of the words "service charge" or similar on any statements or invoices, said words shall be construed as interest charges on past due payments as provided and limited hereinbefore.
- This Application and all transactions between Applicant and Sellers shall be governed by and interpreted in accordance with the laws and decisions of the State of Illinois.
- Applicant hereby agrees to immediately notify Sellers of any sale of a significant portion of the assets or business of Applicant, or a sale of a substantial interest in the capital stock or other ownership interest of Applicant.
- Applicant agrees to neither order nor accept goods from Sellers while Applicant is insolvent within the meaning of Section 1-201(23) of the Uniform Commercial Code. Every order placed, or delivery accepted, while the Applicant is insolvent shall constitute a written misrepresentation of solvency to the Sellers within the meaning of Section 2-702(2) of the Uniform Commercial Code.
- If this Application is not approved in full or if any other adverse action is taken with respect to Applicant's credit with Sellers, Applicant has the right to request within 60 days of Sellers' notification of such adverse action, a statement of specific reasons for such action, which statement will be provided within 30 days of said request.** The federal Equal Credit Opportunity Act prohibits creditors from discrimination against credit Applicants on the basis of race, color, religion, national origin, sex, marital status or age (provided that the Applicant has the capacity to enter into a binding contract); because all or part of the Applicant's income derives from any public assistance programs; or because the Applicant has in good faith exercised any right under the Consumer Credit Protection Act. The federal agency that administers compliance with this law concerning the creditor is the Federal Trade Commission, Washington, D.C.
- Applicant irrevocably agrees and hereby consents and submits to the non-exclusive jurisdiction of any state or federal court located in the state in which Sellers' operating company which provided this Application is located, without regard to the conflicts of law provisions thereof (the "Applicable State"), with regard to any actions or proceedings arising from, relating to or in connection with Applicant's obligations to Sellers or this Application. Applicant waives any right it may have to change the venue of any litigation brought against it by Sellers and further waives any right to trial by jury.** Applicant hereby (a) agrees that Sellers may, at Sellers' sole option, require Applicant to arbitrate any controversy or claim arising out of or relating to this Application, any credit extended by Seller to Applicant or any other issue with the American Arbitration Association in accordance with its Commercial Arbitration rules and any judgment or award rendered in connection therewith shall be entered in any court having jurisdiction thereof, (b) consent to the Arbitration in the Applicable State, and to the application of Illinois law with the exception of Illinois conflicts of laws rules, and (c) agrees to pay all costs and expenses in connection with the arbitration, including, but not limited to, arbitrators' fees, administration fees, and attorneys' fees.

| FOR CERRO FLOW PRODUCTS LLC INTERNAL USE ONLY | | | | |
|---|----------------|----------------|----------------|------------|
| Attached terms form? <input type="checkbox"/> YES <input type="checkbox"/> NO | Hier Cd1 _____ | Hier Cd2 _____ | Hier Cd3 _____ | |
| Branch: _____ Salesman ID: _____ Sales Territory: _____ Buy Grp: _____ | | | | |
| Parent Company? _____ Crdt Prt Cntrl? (Y/N) _____ Rec Lmt: _____ | | | | |
| Special Shipping or Delivery Instructions? (Y/N) _____ | | | | |
| Credit Manager: _____ | Vol Cd: _____ | Fin Cd: _____ | Pay His: _____ | LOC: _____ |
| Date: _____ | | | | |