



Out Work! Out Play!

13959 Central Ave, Chino, CA 91710 p) 909.203.5495 email) wholesale@powernetinc.net

APPLICATION FOR CREDIT

Complete Business Name: _____

Street: _____ City: _____ State: _____ Zip: _____

Tel No.: _____ Fax No: _____ Email: _____

Accounts Payable Contact: _____

Type of Business: _____ Year Organized: _____

Corporation _____ Partnership _____ Sole Proprietorship _____

Credit Amount Requested _____ **Please provide Federal Tax ID Number** _____

Name, Title and Address of Proprietor, Partners or Officers:

Name

Title

Home Address

Bank Name: _____ Bank Account Number: _____

Line of Credit ____ Yes ____ No, if Yes, How Much _____, Revolving or Fixed _____

Tel No. _____ Fax No.: _____ Email: _____

Trade References:

Name: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Fax: _____

Email: _____

Name: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Fax: _____

Email: _____

Name: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Fax: _____

Email: _____

Name: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Fax: _____

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SECURITY AGREEMENT

To secure payment and performance of all obligations, Customer hereby grants POWERNET, INC a continuing purchase money security interest in all inventory, equipment and goods manufactured by or distributed by , whenever sold, consigned, leased, rented or delivered, directly or indirectly, to or for the benefit of Customer by POWERNET, INC, wherever located, now owned and hereafter acquired including, but not limited to, all POWERNET, INC branded Product, and all replacement parts, accessories and supplies including repossessions and returns, and all proceeds from the sale, lease or rental thereof, and all existing or subsequently arising accounts and accounts receivable, all books and records, and supporting obligations which may from time to time hereafter come into existence during the term of this Security Agreement. POWERNET, INCs purchase money security interest is explicitly limited to outstanding obligations between POWERNET, INC and Customer. Customer will maintain the Collateral in original condition but for the ordinary wear and tear, and will insure the Collateral against all expected risks. Customer will not subject the Collateral to any adverse encumbrance or lien, or sale or other transfer other than as approved in writing by POWERNET, INC including this Agreement. If Customer fails to timely make any payment POWERNET, INC may repossess and remove any products from Customer with or without Notice. Customer will not locate the Collateral at any location other than as known to POWERNET, INC. Customer will promptly advise POWERNET, INC of any change to Customer's name or business nature or organizational structure to include legal operating name, location, and business openings and closings. The following constitute Customer defaults: Non-Payment in a timely fashion of Customer's indebtedness to POWERNET, INC, bankruptcy, insolvency, or assignment for the benefit of creditors, misrepresentation in respect of any provision of this or any Agreement between POWERNET, INC and Customer. In the event of default, POWERNET, INC may declare all unpaid balances due and payable and or may require Customer to assemble the Collateral and make it available to allow POWERNET, INC to take possession or dispose of the Collateral. Customer authorizes Secured Party to file a UCC Financing Statement describing the collateral.

DEFAULT. Subject to the limitations of applicable law, we may declare you in default if you: (i) fail to make Payment when due; (ii) violate any other term of this Agreement; (iii) become the subject of a bankruptcy or insolvency proceeding; or (iv) supply us with misleading, false, incomplete, or incorrect information. After your default or your death, and subject to the limitations of applicable law, we may: (i) reduce your Credit Limit; (ii) terminate your Account;

(iii) require immediate payment of your entire Account balance; (iv) terminate any Special discounts and convert any balance to the standard terms and conditions of the Account; (v) bring an action to collect all amounts owed; and/or (vi) take any action allowed by law. If, after your default, we refer your Account for collection to an attorney who is not our salaried employee, you will pay, to the extent permitted by applicable law, our collection costs, including court costs and reasonable attorneys' fees.

IN THE EVENT the applicant defaults in payment of any amount due hereunder, or in the performance of any other provision here in, including the payment of interest and late charges due hereunder, the applicant agrees to pay all of POWERNET, INC damages and expenses, including all attorney fees and costs of litigation, in incurred collecting the debt or enforcing the provisions hereof. Legal Venue for this agreement is to be California, County of San Bernardino.



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If the undersigned is a corporate officer, a partner, a manager, or another representative of the applicant, and where the applicant is not an individual and where the undersigned executes this agreement on behalf of such applicant, the undersigned by signing also hereby absolutely and unconditionally individually guarantees to POWERNET, INC, its successors and assigns, the payment by the applicant of all amounts provided for under this agreement, including all advances by credit, and the performance by the applicant of all provisions of this agreement and any renewals or extension thereof, and any and all damages that may accrue by reason of the non-fulfillment thereof, hereby waiving notice of all defaults or non-performance, the requirement of any demand, and all extensions of time, POWERNET, INC, its successors or assigns, may grant.

Terms: Net 30 days from the invoice date with approved credit. All accounts not paid within 30 days of invoice will be charged 18% interest (1.5% per month). All prices are FOB factory. All taxes, custom fees, duty, inspection fees and other charges are the responsibility of the customer.

Signature of Authorized Representative

Printed Name

Title

Date