

COMMERCIAL CREDIT AGREEMENT TERMS AND CONDITIONS

Applicant and Personal Guarantor signing this Commercial Credit Application ("Applicant") agree to accept credit extended by Lafayette Warehouse, Inc. ("LWI") subject to the following terms and conditions:

1. Applicant agrees to pay all statements and/or all invoices in full within thirty (30) days of the billing date indicated on LWI's statement. If Applicant fails to pay within such time, Applicant's account will be considered to be past due;
2. Applicant agrees that a finance/late charge will be assessed at 1.5% per month, which is 18% per annum, on all past due accounts. LWI also reserves the right to suspend further orders on any past due accounts;
3. Applicant agrees to pay all expenses incurred by LWI in the collection of any past due amount, including court costs and attorney's fees;
4. Applicant agrees to grant and LWI is retaining a Purchase Money Security Interest under the Uniform Commercial Code on the items purchased on Applicant's account until such items are paid in full;
5. All billing errors must be reported to the LWI Credit Department in writing within thirty (30) days after LWI has sent Applicant the first statement on which the error appears. Applicant agrees to immediately notify the LWI Credit Department in writing of any unauthorized purchases on Applicant's account;
6. LWI shall have the right to rely upon all reasonable representations of persons representing themselves to be agents of Applicant as to authority to make purchases on Applicant's account unless the LWI Credit Department receives prior written notification from Applicant limiting agents authorized to make purchases;
7. Applicant must notify the applicable LWI store in writing of all claims for errors, shortages, damages and defects within twenty-four (24) hours of delivery;
8. LWI has the right to close Applicant's account at any time, with or without cause, change the terms and conditions or sell, assign or transfer Applicant's account upon written notification to Applicant from the LWI Credit Department. Applicant agrees to notify the LWI Credit Department in writing of Applicant's desire to close Applicant's account, change of address or change in legal business status;
9. Applicant and Personal Guarantor hereby authorize any and all banks, credit reporting agencies, principal trade references listed on this Application, or any other credit source available to furnish credit information to LWI;
10. Applicant agrees that any credit extended hereunder is strictly commercial credit and does not arise out of a consumer transaction and is therefore not governed by applicable federal or state consumer credit regulations;
11. The entire agreement of the parties is set forth in this written document and there are no other oral or written understandings, promises, representations or agreements. This Agreement cannot be modified or amended except by a written document signed by both Applicant and the LWI Credit Department; and this Agreement shall supersede all previous communications, representations, or agreements, either verbal or written, between the parties hereto. This Agreement shall take precedence, supersede and control over any conflicting or additional terms contained in purchase orders, contracts or other similar documents issued or executed by the parties and no such documents shall be binding on LWI unless approved and signed by the LWI Credit Department;
12. The waiver or invalidity of any provision herein shall not affect the validity of any other provision herein;
13. In no event shall LWI be liable or liquidated, incidental or consequential damages in connection with items purchased by Applicant. LWI disclaims any express or implied warranties of merchantability or fitness for a particular purpose on items purchased by Applicant;
14. This Agreement shall be governed by and construed in accordance with the laws of the State of Indiana;
15. All written notices to LWI by Applicant required under this Agreement shall be sent Certified Mail – Return Receipt Requested to: Lafayette Warehouse, Inc., Credit Department, P.O. Box 279, Lafayette, Indiana 47902-0279;
16. Applicant agrees not to withhold, setoff, deduct or retain payment against amounts due LWI on this Account for any alleged claims or charges against LWI.