

Date: _____ Sales Person _____ Acct # _____

R & B Company Credit Application Form

910 Bern Ct. #150, San Jose, California 95112

Tele: (408) 436-1699 Fax: (408) 436-8545

R & B Company ("R & B") is looking forward to working with you. We would like to open your account, and request that you furnish the credit information as detailed below. Return this information and signed agreement by mail as soon as possible, or by fax (408-436-8545) to expedite opening your account. All clients pay C.O.D. unless adequate information has been received in time to perform a credit check before work is released.

1. Company Name: _____

2. DBA (if different): _____

3. Accounts Payable Contact Person:

Name _____

Phone (____) _____

Fax (____) _____

"Ship To" Address _____

4. Accounts Payable Supervisor:

Name _____

5. Company payment schedule: ___ 30 ___ 45 ___ 60 days

6. "Bill To" Address: _____

7. Federal Tax ID or Social Security No: _____

8. Type of Business: _____

9. Are you a: _____ corporation
_____ partnership
_____ sole proprietorship
_____ other: _____

10. If a corporation:
State of Incorporation _____

Names and addresses of your three chief corporate Officers:

11. If a partnership, names and addresses of Partners:

12. Date Business Established: _____
(mm/dd/yyyy)

13. Have you or your officers or affiliates ever filed a petition in bankruptcy? ___ Yes ___ No

14. Are you currently involved in any litigation?
___ Yes ___ No

If yes, please attach a document containing a brief description of the litigation.

15. Are you current in meeting your other financial obligations? ___ Yes ___ No

16. Have you or any of your affiliates ever had credit with us before or purchased from us before?
___ Yes ___ No

17. Financial information:
___ Yes ___ No

Assets: \$ _____

Liabilities: \$ _____

Approx. Net Income: \$ _____

18. Are you sales tax exempt? ___ Yes ___ No
19. Are you a reseller? ___ Yes ___ No
20. Purchase Order required? ___ Yes ___ No

21. TRADE REFERENCES

#1. Name _____
 Address _____

 Phone () _____
 Fax () _____

#2. Name _____
 Address _____

 Phone () _____
 Fax () _____

#3. Name _____
 Address _____

 Phone () _____
 Fax () _____

22. BANK REFERENCES

#1. Contact Name _____
 Name of Bank _____
 Account No. _____
 Address _____

 Phone () _____

#2. Contact Name _____
 Name of Bank _____
 Account No. _____
 Address _____

 Phone () _____

23. TERMS AND CONDITIONS

THE TERMS AND CONDITIONS ON EXHIBIT "A" ATTACHED HERETO (the "Terms") ARE INCORPORATED HEREIN BY THIS REFERENCE AND, UNLESS OTHERWISE AGREED IN WRITING, APPLY TO THIS CREDIT APPLICATION AND ALL PURCHASES BY APPLICANT FROM R & B. The undersigned acknowledges that he /she has read the Terms and agree to the Terms on behalf of Applicant.

24. CREDIT AFFIRMATIONS

Applicant and the undersigned authorizes R & B to make such credit investigations as R & B sees fit, including contacting the above trade references and banks and obtaining credit reports. Applicant and the undersigned authorize all trade references, banks and credit reporting agencies to disclose to R & B any and all information concerning the financial and credit history of Applicant and myself. The undersigned hereby represents and warrants that he/she is duly authorized to execute and deliver this Application.

R & B retains the right to deny the Applicant credit at will, including, if applicable, after such time as credit has been extended to the applicant.

R & B endeavors to keep all applicant information confidential. In the event of unauthorized disclosure, R & B is not liable for consequential, exemplary or incidental damages arising out of or in connection with such disclosure.

The undersigned represents and warrants that the above information is true and is given to induce R & B to extend credit to Applicant.

R & B may make inquiry of any source considered, in R & B sole discretion, necessary to substantiate statements in this Application, and R&B is further authorized to answer requests for credit information on Applicant's account from others. Applicant shall furnish additional financial information at R & B's request.

R & B, its agent, representative, employee or assignee, is hereby authorized to obtain credit reports or any other information on Applicant, its principals, and Guarantor from whatever credit bureau it deems reliable.

Applicant shall immediately inform R & B in writing of any changes of information contained herein.

25. GUARANTY

If Applicant is a limited liability entity, by signing below, the undersigned continuously guarantees the payment obligations of Applicant to R & B.

26. SIGNATURE

 Authorized Signature

 Printed Name

 Title

 Date

TERMS AND CONDITIONS OF SALE

1. Application of Terms. These Terms and Conditions of Sale (the "Terms") constitute terms and conditions upon which R & B Company (R & B) agrees to sell goods or accepts an order to purchase goods, as applicable. THESE TERMS ARE THE ONLY ON THESE TERMS AND CONDITIONS OF THE AGREEMENT BETWEEN THE PARTIES. ANY AND ALL ADDITIONAL OR DIFFERENT TERMS, WHETHER IN A PURCHASE ORDER OR OTHER DOCUMENT GIVEN BEFORE OR AFTER THIS ACKNOWLEDGEMENT, QUOTATION OR SHIP TICKET, ARE SPECIFICALLY REJECTED AND SHALL NOT BECOME PART OF THE AGREEMENT UNLESS AGREED TO IN WRITING BY R & B.
2. Delivery\Shipping\Risk of loss . Unless otherwise expressly agreed, all goods are shipped F.O.B. R & B's warehouse within ten (10) days of the date set forth on the front side of the applicable Acknowledgment, Quotation or Ship Ticket. All goods will be shipped according to shipping instructions provided by the buyer (ABuyer@) or, if none, by the best route and mode of transportation as determined by R & B in its discretion. Notwithstanding any other provision of these Terms, risk of loss shall transfer to Buyer at the time the goods are delivered at R & B's warehouse.
3. Goods Damage. Upon receipt of goods, Buyer shall count and inspect the same for damage and shortages before execution of the shipping receipt accompanying such goods. If there is any damage to any goods, Buyer must file a claim immediately with the carrier or R & B, as applicable. Any and all claims for damage or discrepancy between a shipping invoice and goods delivered, shortages or others errors must be delivered to R & B within ten (10) days following delivery of the goods. Failure to so make a claim shall be deemed full acceptance of the goods delivered and a waiver of any and all such claims. Any returns without authorization may be rejected and/or subject to a 20% restocking charge.
4. Payment. Payment terms are set forth on the front page of the applicable Acknowledgment, Quotation or Ship Ticket. If any sums due to R & B are not paid when due, interest shall accrue thereon at the rate of 2% per month until paid in full. Payment is to be made in Santa Clara County, California, and any action to collect any sums due under this Agreement may be brought in Santa Clara County, California, and the parties consent to jurisdiction and venue in such County. In any action or proceeding to enforce or construe this Agreement, the prevailing party shall be entitled to recover their actual attorney's fees and costs.
5. Expenses. If so requested by R & B, Buyer shall prepay the transportation, insurance charges and other expenses connected with the delivery of goods hereunder and add a separate charge, which represents such prepaid charges, to the shipping invoice accompanying the goods shipped.
6. Taxes and Duties. Buyer shall pay all excise, privilege, sales and value-added taxes and all custom duties, levies and other governmental charges, however designated, imposed by any governmental authority arising from the sale or the exportation or importation of the goods, and Buyer shall indemnify and hold R & B harmless from and against any and all expenses, costs, liabilities and claims arising out of or relating to Buyer's failure to fulfill such obligation.
7. Termination. R & B reserves the right to terminate this Acknowledgment by written notice to Buyer if Buyer fails to make payment within the time specified or fails to accept delivery within the time specified.
8. Limited Warranty. R & B is a distributor, not a manufacturer. R & B does not separately warranty any goods. Rather, R & B assigns to Buyer the warranties of the applicable manufacturer for the goods purchased. If Buyer believes any goods do not comply with such warranty, Buyer shall, within the warranty period, report the purported defect to R & B and the manufacturer cooperate fully with R & B and the manufacturer in determining the conditions and cause of any purported defect and, thereby, obtain a returned goods authorization from R & B. If R & B determines the alleged defect occurred as a result of misuse, neglect, improper installation, repair, alteration, application or accident, unusual physical or electrical stress or improper handling procedure, any warranty shall be void and ineffective.
9. Disclaimer. EXCEPT AS EXPRESSLY PROVIDED, ALL WARRANTIES, CONDITIONS, REPRESENTATIONS, INDEMNITIES AND GUARANTEES, WHETHER EXPRESS OR IMPLIED, ARISING BY LAW, CUSTOM, PRIOR ORAL OR WRITTEN STATEMENTS BY R & B OR OTHERWISE (INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY FOR MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE) ARE OVERRIDDEN, EXCLUDED AND DISCLAIMED.
10. Exclusive Remedy and Damage Limitation. In the event Buyer establishes a breach of the above warranty, Buyer's exclusive remedy against R & B, and R & B's sole liability, is, at its option, the replacement of the defective goods or the refund of the purchase price therefor. In no event shall R & B be liable for damages in excess of the purchase price of the goods or \$50,000.00, whichever is greater.
11. No Consequential Damages. R & B SHALL NOT BE RESPONSIBLE FOR ANY CONSEQUENTIAL, INDIRECT, SPECIAL, PUNITIVE OR INCIDENTAL DAMAGES, WHETHER FORESEEABLE OR UNFORESEEABLE, INCLUDING, BUT NOT LIMITED TO, CLAIMS FOR LOSS OF GOODWILL, PROFITS, USE OF MONEY OR USE OF GOODS, STOPPAGE OF OTHER WORK OR IMPAIRMENT OF OTHER ASSETS, ARISING OUT OF BREACH OF EXPRESS OR IMPLIED WARRANTY, BREACH OF CONTRACT, MISREPRESENTATION, NEGLIGENCE, STRICT LIABILITY IN TORT OR OTHERWISE, EXCEPT ONLY IN THE CASE OF PERSONAL INJURY WHERE AND TO THE EXTENT THAT APPLICABLE LAW REQUIRES SUCH LIABILITY.
12. Force Majeure. Except for payment obligations, neither party will be liable for any failure or delay in performing an obligation under this Agreement that is due to causes beyond its reasonable control, such as natural catastrophes, governmental acts or omissions, laws or regulations, labor strikes or difficulties, transportation stoppages or slowdowns or the inability to procure parts or materials. If any of these causes continues to prevent or delay performance for more than ninety (90) days, the affected party may terminate the agreement between the parties, in whole or in part, effective immediately upon notice to the other party.
13. Waiver. Failure by R & B to strictly enforce any provision of this Acknowledgment shall not be deemed a waiver of such provision or create a course of dealing between the parties pursuant to which performance is not required.
14. Dispute resolution. Any action arising out of the agreement between the parties, except as otherwise provided herein, shall be resolved by binding arbitration in Santa Clara County, California in accordance with the rules of the American Arbitration Association.
15. Governing law. This Acknowledgment is entered into and shall be governed by, construed and enforced in accordance with the laws of the State of California, excluding its conflict of law rules.
16. Security Interest. Buyer grant to R & B a security interest in the goods purchased and all other assets of Buyer in R & B's possession, including without limitation, plans and drawings, for the performance of all of Buyer's obligations to R & B.
17. Construction Materials Provisions. Buyer shall immediately inform Seller in writing of any changes of information contained herein. To the extent that materials or products furnished by Seller are intended by Buyer to be incorporated into a construction work of improvement, Buyer shall fully and promptly furnish to Seller any and all information requested for the proper filling out and service of a preliminary twenty day notice under the Mechanic's Lien Laws. Buyer shall assign to Seller any and all mechanic's lien, stop notice, bond claims or rights that Buyer has or may have with respect to the project under the Mechanic's Lien and Stop Notice Laws pertaining to public or private construction, or against contract proceeds or retainages payable to Buyer with respect to such project. In no event shall the assignment release Buyer of the underlying obligation to pay Seller the entire debt owed to Seller. Further, Buyer's assignment to Seller of the claims or security given to Seller or that Seller may have received from Buyer. To the extent there are monies due for materials furnished by Seller to Buyer on a particular construction project, Seller agrees upon Buyer's request, to execute documents and perform any acts necessary or appropriate to perfect or pursue such claims or rights, or to permit Buyer to perfect or pursue such claims or rights whether in Seller's name or otherwise. Buyer shall reimburse Seller all legal expenses and costs, including attorneys' fees, incurred by Seller in pursuit of such claims or rights. Buyer agrees to indemnify, defend, and hold Seller harmless from any claims, liabilities, causes of action, expenses, including attorneys' fees arising out of or in connection with any services, materials, supplies, or equipment provided by Buyer.
18. Entire Agreement. This Acknowledgment, together with any applicable goods specifications, constitutes the entire agreement of the parties and may not be amended except in writing signed by both parties.