



**APPLICATION FOR CREDIT**

For the purpose of obtaining equipment/supplies/merchandise from John Shelton, Inc. the following statements in writing are made knowing that John Shelton, Inc. is relying upon same should credit be extended. It is further understood that the information as supplied is confidential and shall be regarded as continuous and the Applicant listed below agrees to inform John Shelton, Inc. of any material change in financial status.

Applicant Name: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
Street Address: \_\_\_\_\_  
Phone #: \_\_\_\_\_ Fax #: \_\_\_\_\_ e-mail: \_\_\_\_\_  
Please Circle One:          Individual          Partnership          Corporation          LLC

John Shelton, Inc. is authorized to make deliveries without obtaining a receipt signature upon delivery. If authorization to place an order is limited, please list limitations as to persons and/or dollar amounts.

Owner's Name: \_\_\_\_\_ A/P Contact: \_\_\_\_\_  
Officer(s) Name : \_\_\_\_\_  
Type of Business: \_\_\_\_\_ Amount of Credit Desired: \_\_\_\_\_  
Annual Sales: \_\_\_\_\_ Date Started: \_\_\_\_\_

**TRADE REFERENCES: Open Accounts Only - Other Industries Preferred:**

1. Name and Address: \_\_\_\_\_  
Contact Person: \_\_\_\_\_ Phone# \_\_\_\_\_ Fax# \_\_\_\_\_  
Account #: \_\_\_\_\_ Balance End of Previous Month: \_\_\_\_\_
2. Name and Address: \_\_\_\_\_  
Contact Person: \_\_\_\_\_ Phone #: \_\_\_\_\_ Fax#: \_\_\_\_\_  
Account #: \_\_\_\_\_ Balance End of Previous Month: \_\_\_\_\_
3. Name and Address: \_\_\_\_\_  
Contact Person: \_\_\_\_\_ Phone #: \_\_\_\_\_ Fax #: \_\_\_\_\_  
Account #: \_\_\_\_\_ Balance End of Previous Month: \_\_\_\_\_

BANK REFERENCE:

Name and Address of Bank: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Phone #: \_\_\_\_\_ Fax #: \_\_\_\_\_

Account #: \_\_\_\_\_ Bank Line of Credit: \_\_\_\_\_

**Terms:** John Shelton, Inc. Standard Terms and Conditions apply. Copy attached and incorporated by reference.

**Finance Charges:** 1.5% per month on past due balances (18% APR).

**Collection Expense:** John Shelton, Inc., in the event it incurs expenses in the enforcement of payment of sums due to it under or in the event of litigation arising out of this Agreement shall be entitled to its reasonable costs and expenses incurred, including attorneys' fees.

**Governing Law:** This Agreement and contracts/purchase orders shall be construed in accordance with the laws of the State of California. Santa Clara County, California shall be the exclusive venue for any litigation.

PLEASE LIST/ATTACH THE FOLLOWING AS CHECKED:

Tax ID / EIN # : \_\_\_\_\_

Resale Certificate No.: \_\_\_\_\_

Applicant hereby acknowledges that the statements on this application have been made for the purpose of having credit extended to Applicant and hereby gives authorization to John Shelton, Inc. to inquire into Applicant's credit.

Dated: \_\_\_\_\_ Applicant Name: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

PERSONAL GUARANTY:

I personally guarantee payment of any and all indebtedness on the above account, and agree to be bound by the above terms and conditions.

Dated: \_\_\_\_\_ Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Company: \_\_\_\_\_

John Shelton, Inc. | 9860 Monterey Rd. | Morgan Hill, CA. 95037

Phone (800) 548 – 3003

Fax (408) 463 – 0279

**WARRANTY AND INSPECTION** – Seller warrants that the products sold hereunder will be free from manufacturing defects. Buyer shall be obligated to inspect the product within five (5) days after the date of arrival at the destination specified on the reverse hereof and to give immediate written notice to Seller of any claim of defective materials or improper manufacture, setting forth with particularity the manner in which the products do not comply with this contract. If such notice is not given within five (5) days of delivery, it shall be conclusively presumed that the buyer has approved and accepted the products. The exclusive remedy for any defects covered by this warranty shall be the obligation of Seller to repair or replace any said products which shall be determined to the satisfaction of Seller, Upon Seller's examination, to have been thus defective or improperly manufactured.

Seller makes no express or implied warranties of any kind, including the implied warranties of merchantability and of fitness for any particular purpose, other than stated herein. The remedies provided herein are the exclusive remedies to the Purchaser, and Seller shall not be liable to the Purchaser or any other party, for incidental, consequential or whatsoever, for injury to person or property, or any consequential, economic or incidental loss resulting in any defect in materials or workmanship of the product sold.

**CANCELLATION** –Buyer may cancel order prior to shipment of standard stocking products. All fees, including cancellation fee to be borne by buyer if product is loaded on truck. Cancellation fee to be determined by Seller; All custom / special orders are non cancelable, non returnable.

**CHANGE OF ORDER** – If Buyer request a change in components of order, Buyer shall reimburse Seller any cost of unloading, reloading, storage or transportation incurred.

Prices quoted are for specified quantities only. Changes in quantities delivered may result in higher prices charged. Request for additional materials above the specified quantities may be priced at higher rates. When quoted prices are based upon truckload rates, quantities requested are estimates only and cannot be guaranteed.

**TITLE AND SHIPMENT** – Risk of loss upon loading of the materials on board carrier and presentation to buyer, its agent or its bank of the invoice and bills of lading (and certificate of insurance if shipment is CIF), title to the materials and all risk of loss or damage thereto shall pass to and be borne by Buyer and shall constitute full and final delivery on part of Seller. Presentation to Buyer shall be deemed accomplished upon deposit of the above mentioned items in U.S. mail, postage prepaid.

All sales are made F.O.B. Seller's facility in Morgan Hill, California. Purchaser shall bear the risk of any loss, deterioration or damage from the time the materials leave the Seller's premises. Buyer or Buyer's agent should note any damage to the truck or rail carrier in writing at the time of delivery or attempted delivery.

Insurance is for the account of Buyer, but if the shipment is CIF, shall be procured by Seller in accordance with Seller's standard practices and shall be in addition to the price.

The delivery date set forth on the front hereof is an approximate date only. Seller shall not be liable for any delays in delivery which are caused by events beyond the control of the Seller, including, but not limited to, delays caused by revisions in the order, acts of Buyer or Buyer's agent, accidents, strikes, inability to obtain labor or materials, or delay in transportation.

If shipment of the products is delayed upon the request of Buyer, or as a result of any conduct of Buyer or Buyer's agents, including a request for change in load, Buyer shall reimburse Seller upon demand by Seller for any cost incurred by Seller in connection with said delay, including steps taken to protect the products from the elements, any cost of unloading, reloading and storage. Any delay in shipment request or caused by Buyer or its agents shall not affect the terms of payment as provided herein. Buyer shall be responsible for payment of any additional cost of shipping occasioned by the delay.

**STAGGERED DELIVERIES** – For projects in which Buyer does not promptly take complete delivery of all goods identified in this proposal, prices identified in this proposal shall remain firm for a period of three (3) months after acceptance of this proposal. In the event the time period expires before Buyer takes complete delivery, Seller shall be entitled to raise its prices for all or part of the remaining undelivered goods.

**RETURN POLICY** – Upon prior written authorization from Seller, goods in transit may be returned for credit to Buyer, less a twenty percent (20%) restocking fee plus all freight cost incurred. All custom orders are non returnable.

**SOLE AGREEMENT** – This contract superseded all prior agreements between Seller and Buyer, and constitutes the only contract between them. There are no promises, representations, agreements or understandings, express or implied, except those set forth herein. No modifications or additions to this contract shall be effective or binding until reduced to writing and signed by Buyer and Seller. In the event of conflict between the terms and conditions and any purchase order or other contract form generated by the Buyer, the conditions stated in this contract shall govern.

**APPLICABLE LAW** – The parties agree that this contract is made and entered into at Seller's place of business in Santa Clara County, California. Buyer submits to jurisdiction in the Courts of Santa Clara County, California. The laws of the State of California shall apply in the construction of this contract or any remedies provided in the California Commercial Code or other applicable laws.

**PAYMENT** – Unless otherwise agreed in writing, or stipulated on the face hereof, regarding credit accounts with Seller, payment shall be made on the following terms: Net 30 days from date of invoice. All payments shall be made in legal tender of the United States of America. Invoice will be generated and mailed coincident with each shipment, or on the date goods are ready for shipment. If a delay in payment is caused by Buyer or its agents a finance charge at the rate of 1.5% per month (18% APR) will be applied to any balance not paid within terms. No retentions.

**ATTORNEYS' FEES AND COST OF COLLECTION** – In the event of Buyer's default in any of its obligations, including payment within terms, Buyer shall be liable and shall reimburse Seller for its cost of collection, including attorneys' fees incurred in pursuing collection, whether or not lawsuit is filed.

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