

SCHOLZEN PRODUCTS COMPANY, INC

Corporate Office: 548 West 100 North P O Box 628 Hurricane Utah 84737 Phone: 435-635-4441 Fax: 435-635-9403

Branch Office: 1313 East 700 North St George, Utah 84770 Phone: 435-628-2626 Fax: 435-634-1483

Application for Credit

Furnishing incorrect information on this Credit Application shall be grounds for denying or revoking all credit privileges.
Incomplete Credit Applications may be returned unprocessed.

Date: _____ Telephone _____ Cell Phone _____ Fax _____
Email _____ Would you like your invoices emailed or faxed? (Y N) Email ____ or Fax ____
Would you like your statements emailed or faxed? (Y N) Email ____ or Fax ____ (If yes, originals will not be mailed)

Legal Business Name: _____

Business Name utilized (if different from above): _____

OR

Individual Name (if no business name) _____

Mailing Address: _____
Street or P O Box _____ City _____ State _____ Zip Code _____

Shipping Address: _____
Street _____ City _____ State _____ Zip Code _____

Nature of Business _____ Year Bus Established _____ Federal I.D. No. _____

Form of Entity: Corporation ____ LLC ____ Partnership ____ Limited Partnership ____ Sole Proprietorship ____ DBA ____ Other ____

Parent Company & Address: _____

To be completed if Company is a LLC, Corporation, Partnership

Owners/Members, Partners and/or Officers:

Name	Title	Home Address	Social Security #
_____	_____	_____	____-____-____
_____	_____	_____	____-____-____
_____	_____	_____	____-____-____
_____	_____	_____	____-____-____

To be completed if Individual, DBA, Sole Proprietorship

Name	Driver's License No.	State	Social Security #
Applicant _____	_____	_____	____-____-____
Spouse _____	_____	_____	____-____-____

Employment Information (past two years (for applicant only)

Employer	Address	City	State	Length of time on job
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Credit Limit Requested: _____ Po's Required? Yes ____ No ____ Resale Tax No.: _____

List Trade Reference

Company Name	City	State	Phone Number	Fax Number
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Is there now or have there been any judgments, bankruptcies, garnishments or other legal proceedings against you?

Yes ____ No ____ (if yes, attach explanation)

Signatures required on reverse side

CREDIT/SECURITY AGREEMENT AND FINANCING STATEMENT

Name of Applicant/Debtor (as set forth in the application of credit) _____ ("Applicant")

Name of Secured Party: Scholzen Products Company, Inc. ("Scholzen")
Address of Secured Party: 548 West 100 North, P O Box 628, Hurricane, Utah 84737

This Credit/Security Agreement (the "Agreement") is intended by the parties, in part, to be sufficient for all purposes as a Financing Statement. A photocopy of this document, in lieu of the original, may be filed by Scholzen to perfect any security interest granted herein.

Terms and Conditions: Applicant warrants that all information provided in the Application for Credit, as set forth on the reverse side hereof, is true correct and submits the Application for Credit for the purpose of obtaining an extension of credit from Scholzen. Applicant further acknowledges that Scholzen will rely on the information in its determination to extend credit to Applicant. Applicant warrants that the purchases made under this agreement are not consumer transactions and that at the time of making this Application, Applicant is financially solvent. Payment on all advances under this agreement will be due at Scholzen's above address on or before the 10th of the month following the billing date. Past due amounts are subject to, and Applicant agrees to pay a finance charge of two percent (2%) per month (APR 24%) from the billing date. All returned goods are subject to a restocking charge. Scholzen may increase or decrease Applicant's credit limit without notice.

In the event Applicant breaches this Agreement and/or fails to pay all amounts due to Scholzen, Applicant agrees to pay, in addition to damages and all amounts owed, all costs resulting from Applicant's breach of this Agreement and all attorney's fees and collection costs incurred by Scholzen in pursuing collection efforts, including but not limited to recovery based on equitable claims for relief. Applicant further understands that Scholzen may retain counsel or a collection agency on a contingency fee basis to pursue collection of all amounts owed under this Agreement and agrees to pay attorneys fees and collection costs, including the contingent fee charged by Scholzen's collection agents or counsel. Jurisdiction and venue shall be in the court of Scholzen's choice, including but not necessarily limited to the Fifth Judicial District Court in Washington County, State of Utah.

This Agreement covers the following types (or items) of property: In consideration for the extension of credit, Applicant hereby grants a continuing security interest in and assigns to Scholzen the below described collateral to secure payment and performance of all debts, liabilities and obligations of Applicant of any kind whenever and however incurred to Scholzen. To secure payment for all purchases from Scholzen now and in the future, Applicant hereby grants Scholzen a continuing security interest in all of Applicant's, whether now owned or hereafter acquired, wherever located, goods, instruments, promissory notes, chattel paper (including electronic chattel paper and tangible chattel paper), documents, accounts, accounts receivable, equipment, commercial tort claims, inventory, general intangibles, payment intangibles and software together with all proceeds and all support obligations thereof. Scholzen's security interest is explicitly limited to outstanding obligations between Scholzen and Applicant.

This Agreement constitutes the entire agreement of the parties. No waiver or modifications hereof shall be valid unless made in writing and executed by the Applicant and Scholzen. Applicant expressly authorizes Scholzen to file Financing Statements and Continuation Statements as provided by law. This agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the parties. Applicant hereby authorizes Scholzen to contact the individuals and entities named in the Application for Credit and Credit Reporting Agencies and Applicant authorizes the individuals, entities and Credit Reporting Agencies to release credit reports and information to Scholzen Products Company Inc.

The undersigned represents that he/she is authorized to execute this Agreement on behalf of the Applicant set forth above.

Date: _____ By: _____
Print Name: _____ Title: _____
(Applicant/debtor)

PERSONAL GUARANTY

For and in consideration of Scholzen Products Company Inc. ("Scholzen") extending or continuing to extend credit to (Name as set forth in the Application of Credit) _____ (hereafter referred to as "Applicant") the undersigned ("Guarantor(s)") jointly and severally do(es) hereby absolutely and unconditionally Guaranty payment of any and all indebtedness of every kind and nature of Applicant to Scholzen, whether said indebtedness (the "Indebtedness") has already been incurred or whether hereinafter incurred, with ten (10) days after receipt of written demand therefore.

Guarantor further agrees to pay any and all collection fees and attorneys fees (whether on an hourly or contingency fee basis) and costs incurred by Scholzen in pursuing collection efforts against Applicant and further agrees to pay all collection fees, attorneys fees and costs incurred by Scholzen in enforcing this Personal Guaranty, including but not limited to all fees and costs associated with pursuit of equitable claims for relief. This Guaranty is a continuing Guaranty, and it is a Guaranty of payment and not collection.

Guarantor consents to and agrees that this Guaranty shall not be affected by or discharged by payment of any indebtedness for which Applicant may currently be obligated to Scholzen nor shall this Guaranty be discharged or affected by any settlement agreement or compromise reached between Scholzen and Applicant where a portion of the indebtedness is paid, waived or subject to any agreement of forbearance. Guarantor expressly waives all suretyship defenses, notice of acceptance of this Guaranty, presentment and notice of demand for payment, notice of nonpayment, notice of default, protest of an extension of time for payment and all other notices to which Guarantor might otherwise be entitled in connections with this Guaranty. This Guaranty shall not be discharged, affected, released, modified, reduced or impaired by any renewal, extension, indulgence or compromise given by Scholzen to the Applicant, or by any other action permitted Scholzen by written agreement with the Applicant, or by other act or failure to act by Scholzen. Scholzen shall not be required to seek recovery of any collateral given as security by Applicant and may look directly and primarily to Guarantor for payment. This Guaranty may be revoked only prospectively by written notice to Scholzen sent certified mail return receipt requested. This Guaranty is entered into and is to be performed in Washington County, Utah and Scholzen may freely assign or transfer this Guaranty to third parties, affiliates or subsidiaries of its choice and without notice to Guarantor. This Guaranty is binding upon Guarantor(s) so long as any of the Indebtedness remains unpaid and even though the Indebtedness may from time to time be zero dollars (\$0.00).

VERIFICATION

I have read the foregoing Guaranty and have further read the terms of the Credit Agreement set forth herein as it applies to the Applicant. I understand and agree that Scholzen and/or Applicant may, without notice to me, increase credit limits, modify credit terms, increase or decrease interest rates applicable to balances owed and may otherwise handle or modify Applicant's Account with Scholzen in ways that alter and/or increase my risk and exposure as a Guarantor and I agree to be bound by any and all such modifications. I further agree and understand that I may, at any time, contact Scholzen to ascertain the status of Applicant's account, the terms thereof and any balance that may be owed to Scholzen and hereby waive the right to protest, challenge, contest or otherwise attempt to set aside any changes to Applicant's Account with Scholzen that may increase my exposure or risk under this Guaranty. I further understand that I am jointly and severally liable for all amounts owed by Applicant to Scholzen and Scholzen may choose to pursue claims solely against me and forbear from pursuing payment and collection against Applicant or other guarantors. I further agree that this Guaranty is assignable and that Scholzen may transfer or assign all rights herein to third parties at Scholzen's sole discretion and without notice to me.

Dated this _____ day of _____, 20____

Guarantor: _____

Address: _____

Social Security Number: _____