



Quietflex's Initiator City, State _____
 Quietflex's Initiator Name _____
 Quietflex's Initiator Email _____

**Commercial Credit Application and Statement of Terms
 (including Security Agreement)**

All credit applications require an active customer number before being processed.

Date: _____ Branch #: _____ Customer #: _____

Applicant Name: _____

Doing Business As Name: _____

Billing Address: _____

City: _____ State: _____ Zip: _____

Billing Email Address (Invoices and Statements): _____

Accounts Payable Contact Name: _____

Shipping Address (if different): _____

City: _____ State: _____ Zip: _____

Phone: _____ Fax: _____

Business Started Date: _____ Federal Tax ID and Attach copy of W9: _____

State of Registration: _____ Credit Limit Requested (\$15K min) \$ _____

CORPORATE OFFICERS, MEMBERS, PARTNERSHIP OR PROPRIETORSHIP INFORMATION

Principal's Name: _____ Principal's Title _____

Principal's Name: _____ Principal's Title _____

Principal's Name: _____ Principal's Title _____

BANK REFERENCE

Bank Name: _____ Phone: _____ Contact Name: _____

Address: _____ City: _____ State & Zip: _____

Checking Account #: _____ Savings Account #: _____

TRADE REFERENCES

Vendor Name: _____ Account #: _____

Address: _____ City: _____ State & Zip: _____

Phone #: _____ Email/ fax #: _____

Vendor Name: _____ Account #: _____

Address: _____ City: _____ State & Zip: _____

Phone #: _____ Email/ fax #: _____

Vendor Name: _____ Account #: _____

Address: _____ City: _____ State & Zip: _____

Phone #: _____ Email/ fax #: _____

Tax Exemption Certificate Attached? Yes or No

TO BE READ AND COMPLETED BY ALL APPLICANTS

Has the Applicant filed for bankruptcy, or been the subject of an involuntary bankruptcy petition, in the past 10 years?

Yes or No

Have any unsatisfied judgment(s) been entered against Applicant in the past 7 years? ____

Have any tax lien(s) been filed against the Applicant in the past 7 years? ____

If the answer to any one or more of the foregoing questions is "yes", please attach an explanatory statement.

STATEMENT OF TERMS

- 1) If one or more of the Creditors establishes, in the name of the Applicant, an open account for the purchases of goods from Creditor(s) in response to Applicant's Credit Application, such extension of credit shall be governed in accordance with the terms and conditions listed below. These terms and conditions are sometimes referred to herein as the "agreement", but Applicant acknowledges and agrees that such agreement shall only take effect if Creditor(s) decide to extend credit to Applicant. The terms and conditions set forth herein shall apply to sales from any and all Creditor entity(ies), and shall continue until Creditors and Applicant cancel this agreement in writing.
- 2) Applicant authorizes all bank, credit reporting agency, or credit references to release Applicant's individual and/or company credit information to Creditors. Creditors may check credit references as often as they deem necessary.
- 3) Accounts are due and payable in PO Box 660503, Dallas, Dallas County, Texas 75266-0503, according to terms on the invoice.
- 4) Applicant expressly agrees (subject to applicable laws and regulations) to pay interest/finance charges on past due amounts at the highest rate allowed by applicable law.
- 5) Applicant further agrees to pay any and all reasonable collection costs, court costs, and attorney fees incurred by Creditors in connection with the collection of this account.
- 6) Merchandise returned maybe subject to a 25% restocking fee, and all merchandise tendered for return is subject to inspection. No credit will be allowed for damaged, mutilated, altered, obsolete, or otherwise unsaleable merchandise.
- 7) All invoices and billings are payable as described on the invoice.
- 8) To secure payment and performance of all debts, obligations and liabilities of Applicant to Creditors, of whatever kind or nature, and whether incurred now, previously or in the future, including without limitation Applicant's obligation to pay for merchandise purchased from one or more of the Creditors, Applicant hereby grants Creditors a continuing first priority security interest in all inventory (including goods held for sale, lease or resale, goods provided or to be provided to third parties under contracts of lease, consignment or service, and spare or replacement parts) and equipment sold or provided, or to be sold or provided, to Applicant by any of the Creditors, and in all returns, repossessions, substitutions, attachments and accessions thereto or thereof, and in all proceeds and products of the foregoing, including without limitation accounts, instruments, cash and chattel paper, wherever located, and whether now owned or hereafter acquired or arising (collectively, the "Collateral").
- 9) Applicant authorizes Creditors to file at any time and from time to time financing statements, financing statement amendments and other documents describing the Collateral, and Creditors are authorized to, and may, take whatever additional actions Creditor deems to be necessary and proper to perfect, re-perfect and continue perfection of Creditors' security interest. To the extent that any Creditor may have previously filed a financing statement, application for registration or other document affecting any of the Collateral, Applicant ratifies and confirms Creditor's authority to do so, and the contents and binding effectiveness of such a statement or document. Applicant shall fully cooperate with Creditors in executing, and obtaining execution by any of Applicant's other creditors of, any subordination agreement, estoppel/no-interest letter, discharge or intercreditor agreement requested by any Creditor, from time to time. Applicant shall reimburse Creditors for all expenses incurred in connection with the perfection, re-perfection and continuation of the perfection of Creditors' security interest.
- 10) Applicant agrees (i) to insure the Collateral in such amounts and against such risks as would customarily be insured by a prudent owner of similar Collateral, (ii) to keep the Collateral sequestered, stored, controlled, identified and accounted for separately from the other equipment, inventory and other similar property of Applicant and other parties, (iii) to protect and preserve the Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for Applicant's business, as well as accurate and complete records concerning the Collateral, (iv) to keep the Collateral in good order, condition and repair, and (v) to defend the Collateral against the claims and demands of all parties other than Creditors claiming the same or an interest therein.
- 11) In the event of a default by Applicant of any of its obligations hereunder or under any other obligation to any Creditor, then the whole or any part of any amounts due to Creditors and remaining unpaid and all accrued and unpaid interest (if any) shall be immediately due and payable upon demand, and Applicant shall pay, on demand, interest on overdue interest, at the rate described above, compounded on a monthly basis, before and after demand and judgment. In the event of a default by Applicant, Creditors (i) shall be under no obligation to notify Applicant of such default before demanding payment of the full unpaid amounts due and owing together with all outstanding interest, if any, and (ii) may exercise any remedy or proceeding authorized or permitted under applicable law or in equity.
- 12) Accounts over 30 days past due may be placed on a C.O.D. basis until they become current. Partial payments on accounts will be applied to the oldest invoices until paid in full.
- 13) This agreement covers present and future debts to Creditors, regardless of the listed amount of credit asked for or received by Applicant, unless and until revoked in writing by Creditors and Applicant.
- 14) **All goods sold by Creditors to Applicant are sold without express or implied warranties to Applicant of any kind, and CREDITORS HEREBY DISCLAIM THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE.** In no event shall any Creditor be liable to Applicant for any incidental or consequential damages, whether arising from the use of or any defect in any goods purchased from Creditors or otherwise. Applicant hereby agrees to indemnify and hold Creditors harmless from any and all claims of third parties arising from the acts or omissions of Applicant.
- 15) Creditors have the right to refuse the sale of merchandise or terminate the established credit line at will without notice.
- 16) If any part of this agreement is found to be unenforceable under current or future applicable law, all remaining provisions shall remain fully enforceable to the extent allowed by applicable law.
- 17) This Statement of Terms together with the Credit Application to which it is attached contains the entire agreement and understanding of the Creditors and Applicant with respect to the subject matter hereof. Any modifications or amendments hereto must be in writing and signed by the Creditors and Applicant.

18) This agreement is governed by the internal laws of the State of Texas. Applicant waives any right to jury trial in any case arising out of this agreement or out of any goods sold by Creditors to Applicant, and Applicant consents to venue in Harris County, Texas, or the county from which any goods purchased hereunder are provided.

IMPORTANT LEGAL NOTICES

The term "me" in these Notices refers to an officer or guarantor of Applicant who has signed this application, or to the Applicant if Applicant is a sole proprietor who has signed this application, or to a partner in Applicant who has signed this application if Applicant is a partnership.

Notice to Ohio residents--The Ohio laws against discrimination require that all creditors make credit equally available to all creditworthy customers and that credit reporting agencies maintain separate histories on each individual upon request. The Ohio Civil Rights Commission administers compliance with this law.

Notice to Maine, New York, and Rhode Island residents—Creditor may obtain a consumer report about me from a consumer reporting agency. Upon my request, I will be informed whether or not Creditor obtained a consumer report about me and if so the name and address of the consumer reporting agency that furnished the report. If my application is approved subsequent consumer reports may be requested or used in connection with (a) renewal or extension of the credit for which Applicant applied, (b) reviewing Applicant's loan, (c) taking collection action on Applicant's loan, or (d) other legitimate purposes associated with Applicant's loan.

Notice to Vermont residents—Creditor is authorized to obtain credit reports about me now and in the future for legitimate purposes associated with this application or the credit (if any) extended in connection with this application including, but not limited to: (a) evaluating the application; and (b) renewing, modifying, and taking collection action on the credit (if any) extended hereunder.

Your consent is required before we can share certain credit information about you with our affiliates. We are permitted to share information which is not a credit report under Vermont law without your consent, such as information related solely to our transactions and experiences with you.

RIGHT TO STATEMENT OF REASONS FOR CREDIT DENIAL. If Applicant's application for business credit is denied, Applicant has the right to a written statement of the specific reasons for the denial. To obtain the statement, please contact the Creditors at the address or telephone number set forth below within 60 days from the date Applicant is notified of the Creditors' decision. The Creditor(s) will send Applicant a written statement of reasons for the denial within 30 days of receiving Applicant's request for the statement. The request for the statement of reasons must be sent to:

Quietflex Manufacturing Company, L.P.
Attention: Credit Department
19001 Kermier Rd.
Waller, TX 77484
(713) 861-2500

Notice: The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided the applicant has the capacity to enter into a binding contract); because all or part of the applicant's income derives from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The Federal agency that administers compliance with this law concerning this creditor is: FTC Regional Office for region in which the creditor operates or Federal Trade Commission, Equal Credit Opportunity, Washington, DC 20580.

Applicant Name _____

Customer #: _____

APPLICANT CERTIFICATION. By signing below: (a) I, on behalf of my business (which is referred to herein as the "Applicant"), hereby request credit from Quietflex Manufacturing Company, L.P. or one of its respective affiliates, successors or assigns (each, a "Creditor") for the purpose of financing the Applicant's purchase of goods from Creditor(s); (b) I authorize each Creditor to investigate the Applicant's creditworthiness, including without limitation by obtaining credit reports and other information, and to share such information with any Creditor or affiliate of a Creditor or any third party in connection with this application or any credit extended by any Creditor to Applicant; (c) I authorize all of Applicant's past and present banks, lenders, lessors, landlords, vendors, trade creditors and other creditors to provide each Creditor or its designee with any and all information that will assist such Creditor in its credit inquiry; and (d) I certify that all information provided in this application about the Applicant and myself is accurate and complete. This application is given for the purpose of obtaining credit. Applicant agrees that, if credit is extended in response to this application, the terms and conditions applicable to such credit shall be as set forth in the Statement of Terms attached hereto and incorporated by reference, and in any other agreements between Applicant and Creditor(s), as they may be amended from time to time.

OFFICER/PARTNER/MEMBER/SOLE PROPRIETOR CERTIFICATION. By signing below: (a) I certify that I am authorized on behalf of the Applicant to apply for credit for the Applicant, and (b) I authorize each Creditor to verify credit and other information about me relevant to this application, and to obtain consumer report(s) about me from consumer reporting agencies.

GUARANTOR AUTHORIZATION. By signing below: (a) I certify that all of the information about me provided in this application is accurate and complete, and (b) I authorize Creditor to verify credit and other information about me relevant to this application, and to obtain consumer report(s) about me from consumer reporting agencies.

APPLICANT:

By: _____
(signature)

Witness Signature

Name: _____
(print)

Witness Name (print)

Title: _____

CERTIFICATION/AUTHORIZATION SIGNATURES:

X _____ (signature)
(Officer/Partner/Member/Sole Proprietor)

Name: _____ (print)

X _____ (signature)
(Guarantor)

Name: _____ (print)



QUIETFLEX MANUFACTURING COMPANY, L.P.

CUSTOMER NUMBER: _____
COMPANY NAME: _____
ACCOUNT CITY, STATE _____



GUARANTY

FOR VALUABLE CONSIDERATION, the undersigned, _____ [insert full legal name of guarantor] and _____ [insert full legal name of spouse, if applicable] (collectively, "Guarantor"), hereby jointly and severally make this Guaranty (the "Guaranty"), and guarantees to Quietflex Manufacturing Company, L.P. and each of its respective affiliates, successors, participants, endorsees and assigns (collectively, "Lender"), the due performance and full prompt payment whether at maturity or by acceleration or otherwise, of any and all obligations and Indebtedness of _____ [Insert full legal name of Borrower] ("Borrower"), to Lender. Lender has required, as a condition to making certain credit available to Borrower, that the Guarantor guarantee the Indebtedness (as hereinafter defined) on the terms stated herein. It is necessary for the business purposes of the Guarantor that Borrower obtain such credit from the Lender.

1. The word "Indebtedness," as used herein, includes any and all advances (including future advances and those advances made by Lender to protect the security or preserve the priority or amount of its lien), and any and all other sums, debts, obligations and liabilities of any and every kind now or hereafter incurred.

2. The obligations hereunder are independent of the obligations of Borrower and a separate action or actions may be brought and prosecuted against Guarantor whether action is brought against Borrower or whether Borrower is joined in any such action or actions.

3. Guarantor authorizes Lender, without notice or demand and without affecting Guarantor's liability hereunder, and further waives any right to require Lender, from time to time to:

- (a) Renew, amend, compromise, extend, accelerate or otherwise change the time of method of payment, or otherwise change the terms of the Indebtedness, or of any documents evidencing the Indebtedness, or any part thereof;
(b) Take and hold the original or additional security for the payment of this Guaranty or the Indebtedness guaranteed, and exchange, enforce, waive or release any such security;
(c) Apply such security and direct the order or manner of sale thereof as Lender in its discretion may determine; and
(d) Proceed against the Borrower, or against or exhaust any security held, or pursue any other remedy in Lender's power whatsoever.

4. Guarantor waives any defense arising by reason of any disability or other defense of Borrower or by reason of the cessation from any cause whatsoever of the liability of Borrower, except the defense of payment. Guarantor covenants to cause the Borrower to maintain and preserve the enforceability of any instrument now or hereafter executed in favor of the Lender, and to take no action of any kind which might be the basis for a claim that the Guarantor has any defense hereunder other than payment in full of all indebtedness of the Borrower to Lender. No delay on the part of the Lender in the exercise of any right, power, privilege or remedy, whether at law or in equity, with or against the Borrower or under this Guaranty, shall operate as a waiver of any such right, power, privilege or remedy, and this Guaranty shall not be released, modified or affected by any failure or delay on the part of Lender to enforce any such right, power, privilege or remedy.

5. If any payment applied by Lender to the Indebtedness is thereafter set aside, recovered, rescinded or required to be returned for any reason (including, without limitation, the bankruptcy, insolvency or reorganization of the Borrower or any other obligor), the Indebtedness to which such payment was applied shall for the purposes of the Guaranty be deemed to have continued in existence, notwithstanding such application, and this Guaranty shall be enforceable as to such of the Indebtedness as fully as if such application had never been made.

6. No notice of default need be given to Guarantor. The Guaranty of the undersigned is a continuing guaranty under which Lender may proceed immediately against Guarantor and/or against Borrower following any breach or default by Borrower or for the enforcement of any rights which Lender may have against Borrower relating to any of the Indebtedness, at law or in equity. Payments and performance hereunder shall be made by Guarantor immediately upon receipt of notice from Lender that Borrower is in default. All payments pursuant to this Guaranty shall be without deduction, withholding or set-off and shall be free from any claim or counterclaim of Guarantor against Lender.

7. This is a guaranty of payment, and not of collection. Lender shall have the right to proceed against Guarantor hereunder following any breach or default by Borrower without first proceeding against Borrower and without previous notice to or demand upon either Guarantor or Borrower. Guarantor hereby subordinates all claims it might have against Borrower now or hereafter to Guarantor's obligations owing to Lender related to the Indebtedness.

8. It is the intent of Guarantor to be subject at all times to this Guaranty and be and remain jointly and severally, primarily and unconditionally liable to Lender to the same extent as if it were jointly and severally liable with Borrower for the full performance of each and every obligation relating to the Indebtedness. Guarantor hereby waives (a) notice of acceptance of this Guaranty, (b) demand of payment, presentation and protest, (c) any right to require Lender to proceed against Borrower or any other guarantor or any other person or entity liable to Lender, (d) any right to require Lender to apply to any default any security deposit or other security it may hold relating to the Indebtedness, (e) any right to require Lender to proceed under any other remedy Lender may have before proceeding against Guarantor and (f) any right of subrogation.

9. In the event any action is brought by Lender against Guarantor hereunder to enforce the obligations of Guarantor hereunder, Guarantor shall pay Lender all costs and expenses (including, without limitation, reasonable attorneys' fees and disbursements) incurred by Lender in connection with such enforcement.

10. This Guaranty is binding upon Guarantor, his or her successors, personal representatives, estates, heirs and assigns. No waiver, amendment or modification, including those by custom, usage of trade, or course of dealing, of any provision of this Guaranty will be effective unless in writing and signed by Lender.

11. Guarantor warrants and covenants as follows:

- (a) Borrower is a [insert type of entity if Borrower is an entity] _____ organized under the laws of the State of _____, or, if Borrower is a natural person, Borrower is an individual currently residing in the State of _____; the name appearing above as Borrower's name is the correct and exact legal name of Borrower as it appears in the public records of such State; and
- (b) the execution and delivery of this Guaranty will not violate or constitute a breach of any agreement or restriction to which Guarantor is a party or is subject.

12. This Agreement constitutes the entire agreement between Lender and Guarantor with respect to the subject matter hereof, superseding all prior and contemporaneous communications, understandings and negotiations, and no representation, understanding, promise or condition concerning the subject matter hereof shall be binding upon Lender unless expressed herein. The validity, construction and enforcement of this Guaranty are determined and governed by the internal laws of the State of Texas. Invalidity of any provision of this Guaranty shall not affect the validity of any other provision.

13. If any one or more of the provisions contained herein shall for any reason be held to be invalid and/or unenforceable, such invalidity/unenforceability shall not affect the validity of any other provision of this Guaranty. This Guaranty shall then be construed as if such invalid/unenforceable provision(s) had never been contained herein and such invalid/unenforceable provision(s) shall be replaced with valid and enforceable provision(s), the commercial effect of which shall be as similar as possible to the invalid/unenforceable provision(s).

14. **EACH GUARANTOR HEREBY CONSENTS TO THE EXCLUSIVE JURISDICTION OF ANY STATE OR FEDERAL COURT SITUATED IN HARRIS COUNTY, TEXAS AND WAIVES ANY OBJECTION BASED ON LACK OF PERSONAL JURISDICTION, IMPROPER VENUE OR FORUM NON CONVENIENS, WITH REGARD TO ANY ACTIONS, CLAIMS, DISPUTES OR PROCEEDINGS RELATING TO THIS GUARANTY, OR ANY DOCUMENT DELIVERED HEREUNDER OR IN CONNECTION HERewith, OR ANY TRANSACTION ARISING FROM OR CONNECTED TO ANY OF THE FOREGOING. EACH GUARANTOR WAIVES PERSONAL SERVICE OF ANY AND ALL PROCESS, AND CONSENTS TO ALL SUCH SERVICE OF PROCESS MADE BY MAIL OR BY MESSENGER DIRECTED TO THE ADDRESS SPECIFIED BELOW.** Nothing herein shall affect the Lender's right to serve process in any manner permitted by law, or limit the Lender's right to bring proceedings against any Guarantor or their property or assets in the competent courts of any other jurisdiction or jurisdictions.

15. **EACH GUARANTOR HEREBY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING RELATING TO THIS GUARANTY, OR ANY DOCUMENT DELIVERED HEREUNDER OR IN CONNECTION HERewith, OR ANY TRANSACTION ARISING FROM OR CONNECTED TO ANY OF THE FOREGOING. EACH GUARANTOR REPRESENTS THAT THIS WAIVER IS KNOWINGLY, WILLINGLY AND VOLUNTARILY GIVEN.**

16. **EACH GUARANTOR HEREBY WAIVES ANY RIGHT ANY OF THEM MAY NOW OR HEREAFTER HAVE TO CLAIM OR RECOVER FROM THE LENDER ANY CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES.**

17. If notice is required by law, upon the occurrence of any act of default on the part of the Borrower of the terms and conditions of any documents evidencing the Indebtedness, notice thereof shall be given by Lender to Guarantor in writing by depositing the same in the U.S. mails, postage prepaid, registered or certified mail, return receipt requested, addressed to Guarantor at Guarantor's address set forth below, or at such address as Guarantor may hereafter designate to Lender in writing, which such notice shall be deemed delivered upon mailing.

IN WITNESS WHEREOF, the undersigned have caused this Guaranty to be executed effective as of _____ 20____

GUARANTOR:
X: _____
By: _____
(Please Name Print Clearly)

Address: _____
City _____
State & Zip _____
Social Security # _____

GUARANTOR:
X: _____
By: _____
(Please Name Print Clearly)

Address: _____
City _____
State & Zip _____
Social Security # _____

[Acknowledgments Follow on Next Page]

Customer Name _____ Customer #: _____

Company Name _____ Customer #: _____

(continued Guaranty)

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me on _____, 20____ by _____, who is personally known to me or who has produced _____ as identification. If no type of identification is indicated, the above-named person is personally known to me.

(Notary Seal)

Signature of Notary Public

Print Name of Notary Public

I am a Notary Public of the State of _____, and my commission expires on _____.

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me on _____, 20____ by _____, who is personally known to me or who has produced _____ as identification. If no type of identification is indicated, the above-named person is personally known to me.

(Notary Seal)

Signature of Notary Public

Print Name of Notary Public

I am a Notary Public of the State of _____, and my commission expires on _____.

Customer #:

Customer Name _____