

For Office Use Only

Date Sent _____ TERMS: _____
Date Received _____ Credit Limit: _____
Acct # _____ Salesman: _____

CREDIT APPLICATION

The undersigned is applying for credit with Watters & Martin, Inc and agrees to abide by the terms and conditions of the Company's standard contract.

Company Name: _____

Address: _____

Phone #: _____ Fax #: _____ Email: _____

Federal Tax ID or Social Security No: _____

If you are exempt from sales tax, please provide a copy of your sales tax exemption certificate

Type of Business: _____ Number of employees: _____

Date Business Established: _____ Amount of Credit Requested \$: _____

Types of products you will purchase:

Check which is applicable to you:

_____ Corporation _____ LLC _____ General Partnership _____ Limited Partnership

_____ Sole Proprietorship _____ Other: _____

State where your company was organized: _____

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

If yes, under what name? _____

Name or title of persons authorized to act on your behalf: _____

Trade References:

Reference #1 Name & Address: _____

Contact Name: _____ Phone: _____ Fax: _____

Reference #2 Name & Address: _____

Contact Name: _____ Phone: _____ Fax: _____

Reference #3 Name & Address: _____

Contact Name: _____ Phone: _____ Fax: _____

Bank References:

Bank #1 Account #: _____ Phone: _____

Contact Person: _____

Bank #2 Account #: _____ Phone: _____

Contact Person: _____

Financial Information about your Company:

Assets: _____ Liabilities: _____

Approximate Annual Net Income: _____

Have you or your officers or affiliates ever filed a petition in bankruptcy? _____ Yes _____ No

Are you subject to any litigation? _____ Yes _____ No If so, describe here: _____

Are you current in meeting your financial obligations? _____ Yes _____ No

I certify that the above and attached information is true and correct and has been furnished for the purpose of inducing Watters & Martin, Inc. to extend credit on my behalf. I agree to comply with the terms and conditions of sale imposed by Watters & Martin, from time to time, and I acknowledge that the current terms and conditions of sale of Watters & Martin are set forth and are made a part of this Credit Application. In the event of default, Watters and Martin may charge and collect a late charge of 2.0% per month of the unpaid contract price, and Watters & Martin shall also be entitled to collect from me all cost of collection including court costs and attorney's fees in the event of my default. I hereby waive all rights of exemption under the Constitution and laws of the State of Virginia and any other state, as to personal property. It is agreed that any legal action relating to this agreement or the debt owed hereunder may be brought in any of the courts in Norfolk, Virginia, and any objection to lack of personal jurisdiction, improper venue or insufficiency of process or service of process is hereby waived.

Watters & Martin, Inc. is hereby authorized to deliver goods or perform services at my request, and to charge the same to my account. This authorization shall continue until written notice is given by the undersigned.

Watters & Martin makes NO WARRANTIES OR MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, or other warranties of quality, WHETHER EXPRESSED OR IMPLIED except of title. Any warranty extended to the Purchaser is that of the manufacturer, and not of Watters & Martin.

TERMS: NET 10TH PROX

I have read the terms and conditions stated above and agree to all of those terms and conditions

Name of Company: _____

Authorized Signature: _____

Printed Name: _____

Title: _____ Date: _____

GUARANTY AGREEMENT

In consideration of the request of the Undersigned that Watters & Martin, Inc. (hereinafter referred to as "Company") extend credit from time to time to _____ (herein after referred to as "Customer"), the Undersigned hereby separately and severally guaranty to Company the payment and performance of any and all debts and obligations now owing by Customer to the company, and any and all debts and obligations hereafter contracted, by the Customer to the Company. It is understood that this Guaranty is made for the purpose of securing to the Customer an open account with the Company, but the amount of the credit and terms and conditions and the time of the credit are to be as the Company, in its discretion, deems fit.

It is agreed that the Company may, in its discretion, at any time, take renewals of any debts or extend the time of payment of any debt at any time owing to it by the Customer without notice to or consent of the Undersigned without in any way impairing the obligations of the Undersigned. Any and all collateral may from time to time, without notice to or consent of the Undersigned, be sold or release, without in any manner impairing the liability of the Undersigned. This is a continuing Guaranty. This Guaranty shall extend to all debts contracted or owing by the Customer to the Company at any time up to the time written notice is received by the then President of the Company that the Undersigned desires to terminate this Guaranty; but in such event, the Undersigned shall be and remain bound hereunder with respect to all indebtedness of the Customer to the Company existing at the time of the receipt of such notice.

In the event that the Customer should at any time be in default in the payment of any debt owing to the Company, the Undersigned agrees to pay such debt at once; and upon failure of the Undersigned to do so, the Company may in its discretion enforce the collection of such debt out of the Undersigned by suit in court or in any other way provided by law, the same as if such debt were the primary and individual debt of the Undersigned and without first seeking to enforce the said debt by suit or otherwise out of the Customer. The Undersigned hereby waives presentment, protest, notice and demand with regard to every debt guaranteed hereunder. It is agreed that every term, provision and condition of every note, account or other evidence of debt executed by the customer to the Company shall become a part of this obligation as if executed by the Undersigned as the primary and individual obligation of the Undersigned.

The Undersigned waives all rights of exemption allowed him under the Constitution and laws of Virginia, or any other jurisdiction, and agrees to pay all costs of collection, including a reasonable attorney's fee, in the event of default. The Undersigned hereby waives any right of indemnity, reimbursement, contribution or subrogation from the Customer, with respect to the amounts paid by the Undersigned to the Company. It is agreed that any legal action relating to this agreement or the debt owed hereunder may be brought in any of the courts located in Norfolk, Virginia, and the Undersigned hereby waives any objection to lack of personal jurisdiction, improper venue or insufficiency of process or service of process.

It is agreed that the liability of each of the Undersigned is several. In the event of the termination of this Guaranty as to any one or more of the Undersigned, this agreement shall continue in full force and effect as to the remaining guarantors.

THIS GUARANTY shall be binding upon the Undersigned, his successors and assigns, and shall inure to the benefit of the Company, its successors and assigns.

Executed under the seal of each of the Undersigned this _____ day of _____, 20____,

at _____, _____.

Witness

Signature of Debtor

Witness

Signature of Debtor

SECURITY AGREEMENT

THIS AGREEMENT is made on _____, _____, between _____ of _____, (address) _____ City of _____, State of _____ (the "Debtor"), and Watters and Martin, Inc., 3800 Village Avenue, Norfolk, Virginia 23502.

1. Debtor has ordered, or will order, certain items from Secured Party to be sold by Debtor in its ordinary course of business. Full payment for items ordered shall be due within the terms stated on _____ the individual invoices.
2. To secure payment of all indebtedness of Debtor to Secured Party, whether now owing or hereafter incurred (the "Indebtedness"), Debtor hereby assigns and grants to Secured Party a security interest in all inventory supplied by Secured Party to _____ Debtor, whether previously or hereafter supplied (the "Inventory"), together with all proceeds, in whatever form, of any disposition of any of the inventory.
3. The possession by Debtor of Inventory shall be for the sole purpose of storing and exhibiting Inventory for retail sale in the ordinary course of business. Debtor shall not remove, transfer or otherwise dispose of Inventory except in the regular course of business. While the Inventory is under the direct control and possession of Debtor, all risk of loss or destruction of Inventory is to be borne by Debtor. Should Secured Party request, any and all cash proceeds of any retail sale permitted herein shall be fully accounted for by Debtor and promptly paid to Secured Party to be applied to the payment of the indebtedness hereby secured. Debtor shall at all times keep the inventory free of all tax liens, in cumbrances and other security interests.
4. Occurrence of any of the following events shall constitute a default under this security agreement:
 - a) Failure of Debtor promptly to pay the Indebtedness when due.
 - b) Failure of Debtor to perform or comply with any of the terms, provisions, or conditions of this security agreement.
 - c) The institution of a proceeding in bankruptcy, insolvency, receivership or reorganization by or against Debtor or the property of Debtor.
 - d) The liquidation in any way of the business of Debtor.
5. On default hereunder Secured Party shall have such rights and remedies as are provided and permitted by the Uniform Commercial Code.
6. Initial One:
 - a) _____ ♦ Debtor warrants and covenants that no financing statement covering any of the Inventory or any proceeds thereof is on file with any public office.
 - b) _____ ♦ There is currently on file with _____ a financing statement on all of the Debtor's inventory, securing _____ as creditor, whose address is: _____.
7. Inventory shall be kept at _____, City of _____, State of _____. Debtor shall promptly notify Secured Party of any changes in the location of the Inventory within the State of _____. Debtor shall not remove any of the Inventory from the State of _____ without the prior written consent of the Secured Party.
8. Debtor agrees to pay a late charge of 2.0% per month on any unpaid indebtedness, and further agrees to pay all costs of collection or attempting to collect any part of the Indebtedness, including reasonable attorneys fee. Debtor agrees that any legal action relating to this agreement or the debt owed hereunder may be brought in any of the courts located in Norfolk, Virginia, and hereby waives any objection to lack of personal jurisdiction, improper venue or insufficient of process or service of process.
9. This security agreement will be governed by, and construed in accordance with, Virginia law.

Witness

Signature of Debtor

Witness

Signature of Debtor



**WATTERS
and
MARTIN
inc.**

WHOLESALE HARDWARE · ESTABLISHED 1865

3800 Village Avenue - Norfolk, Virginia 23502-5617 :
www.wattersandmartin.com
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**If your purchases will be
“non-taxable”
Please provide us with a copy
of your sales tax exemption
certificate.**