

TERMS AND CONDITIONS OF SALES

This is your agreement with CANVAS SPECIALTY, INC. (hereinafter referred to as CSI) in connection with approval for your credit application. The agreements cover payment for goods and services for our business that we may offer you from time to time.

1. Client hereby agrees to pay all amounts due for equipment, supplies, inventory for other goods purchased from CSI plus any finance charges and any other charges and fees according to the terms of this agreement in US funds to: CSI, at PO Box 22268, Los Angeles, CA 90022-0268.
2. As security for any amounts due to CSI, client hereby grants to CSI a security interest in all equipment, supplies, inventory or other goods purchased from CSI, together with cash and non-cash proceeds of such equipment, supplies, inventory or other goods, including, without litigation, chattel paper and accounts receivable.
3. CSI will retain this credit application whether or not credit is extended to client. CSI reserves the right at any time to suspend credit, change the credit terms, or demand adequate security from client when, in CSI's sole opinion, the financial condition of the client so warrants. In the event any billing is not paid when due, payment therefore, regardless of prior terms, will become immediately due owing. Acceptance by CSI of less than full payment shall not be construed as a waiver of CSI's rights hereunder or at law. Payments received from client may in CSI's discretion, be applied to such portions of client's unpaid accounts as CSI deems to appropriate.
4. Shipments will be made on a cash basis until a signed credit application is on file and credit is established. Unless otherwise agreed in writing, terms of credit payment are as follows: net amount of invoice to be paid: 50% deposit, balance COD. If credit is extended, invoices not paid within 30 days become past due and delinquent. Accounts 60 days past due will be put on automatic COD shipment until the client's account is current. Two late payments in one year may result in the denial of future credit privileges.
5. A finance charge will be assessed on delinquent accounts at the rate of 18% per annum or .049315% per day which shall accrue from the date payment is due, until paid.
6. Client agrees to pay, in the event its account becomes delinquent, all of CSI's collection and attorney fees associated with collection of the account, plus all attendant costs, whether or not litigation is initiated. It is further agreed that in the event suit is instituted to enforce any of Client's obligations hereunder, venue of such suit may, at CSI's choice, be in Los Angeles County, California.
7. Client authorizes CSI to inquire into, and to obtain from, any bank, lending institution, credit reference, or credit bureau, whether or not listed in this credit application, any and all information relating to Client's credit worthiness or financial condition.
8. Client agrees to notify CSI, in writing, thirty (30) days prior to any change of ownership of Client, or of Client's business (including the above information for the buyer), and further agrees to be liable for all purchases by a buyer of the business should said notification not be given. CSI may, regardless of the terms stated herein or on any invoices, require all outstanding account balances to be paid in full on demand upon change in ownership, and may refuse to make further sales or extend further credit pending approval of the buyers credit, which approval shall be in CSI's sole discretion.
9. In the event that Client is a partnership, it is understood and agreed that each and every partner of said partnership and the marital communities consisting of each partner and his respective spouse, if married, are jointly and severally liable for payment to CSI of all obligations and indebtedness which Client has incurred or is under or may incur or be under to CSI.
10. The terms and conditions of this credit notice shall be valid and binding upon Client and guarantors who have executed a credit application without notice to the undersigned of its acceptance, and notwithstanding the non-execution hereof by any of the within named owners, partners, officers, and/or guarantors, or by Client, and said terms, conditions and guarantees shall incur to the benefit of and bind of heirs, administrators, executors, successors, (including successor partnerships and/or corporation of Client and/or of the guarantors, regardless of the changes in name and or membership) and assigns of Client and the guarantors.
11. All orders are subject to written acceptance by CSI. Prices, product listing, line drawings, catalogs, sizes, weights, manufacturing details and prices are subject to change without notice.
12. Client agrees all sales are final. Any returned equipment, supplies, inventory or other goods which CSI elects to accept may be subject to a restocking charge.

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