

ADI New Account Required Documentation

■ Required Documentation for a New Business Account with ADI and Credit Agreement

Thank you for your interest in establishing a business credit account with ADI. Our goal is to have applications processed within three (3) business days. Unfortunately, if there is missing documentation or information, we will not be able to proceed with your application. By ensuring that all of the following information is provided, we will be able to service you sooner. Please follow the criteria below as your guide.

Include:

- A copy of your tax exempt certificate
- Please check appropriate box on application to indicate type of account requested
- At least three (3) trade references with their phone and fax number, and your customer account number (applicable to applications for credit terms only)
- Please ensure principal of company signs all necessary sections
- Your signature on this application must be witnessed for a credit account

■ Please indicate below what product line(s) you are interested in:

- | | | | | |
|---|---|---------------------------------------|---|--------------------------------------|
| <input type="checkbox"/> Intrusion | <input type="checkbox"/> Fire | <input type="checkbox"/> CCTV | <input type="checkbox"/> Access Control | <input type="checkbox"/> Audio/Video |
| <input type="checkbox"/> Tools & Hardware | <input type="checkbox"/> Home Solutions | <input type="checkbox"/> Wire & Cable | <input type="checkbox"/> IP Solutions | |
| <input type="checkbox"/> Other, please specify: _____ | | | | |

Should you require further information, please do not hesitate to contact the ADI Credit Department at:
1-800-545-6776 (phone)
631-367-0513 (fax)
ADICREDITAPPS@ADIGLOBAL.COM

Yours truly,
Credit Department

ADI New Account Application for High Limit (Greater than \$25,000)

■ Type of Account Requested

Company Check Credit Card (Point of Sale Only) e-Check

■ History: (Check One)

Are you now or have you even been an ADI Customer? Yes, Account # _____ No

Credit Application

■ Section A: Company Information

Company Name: (together with its affiliates, successors and assigns, "Buyer") _____

Dun & Bradstreet#: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Telephone: _____ Fax: _____

E-mail Address: _____

Shipping Address: (Same as above) _____

City: _____ State: _____ Zip Code: _____

Date Business was Established: (DD/MM/YYYY) _____

Business Type: (Check One) Sole Proprietor Partnership LLC Corporation

Sales Tax Number: _____ Exempt: No Yes # _____

If yes, please provide a copy of the certificate. Sales Tax certificate provided No Yes

Credit Limit Requested: _____

I would like to sign up for the e-commerce site my ADI: No Yes

E-Invoicing Preferred: No Yes

Receive invoices via e-mail the very next day after your order ships. It is safe and convenient and allows you to manage your bottom line with up-to-the-minute accuracy. You can also see the status of your account at a glance with monthly statements via e-mail. Note that if you check this box you will not receive paper invoices or statements via mail and you waive any and all claims or defenses you may have arising out of or resulting from your failure to receive an electronic invoice.

By completing and signing this application I agree to be bound by ADI's standard terms and conditions of sale for all purchases on this account and hereby certify that the business named above is properly licensed in accordance with all municipal, local, state, federal and other laws and regulations applicable to the installation and servicing of low voltage security, fire, CCTV, access, audio, video or entertainment products purchased from Ademco Inc., doing business as ADI Global Distribution ("ADI").

Name (Print): _____ Title: _____

Date: _____

Signature: _____

Security and Guarantee

■ SECTION B: CONTACT INFORMATION

Buyer Name: _____ Title: _____
Address: _____
Telephone: _____ Fax: _____
Cell Number: _____ Email: _____
Accounts Payable Contact: _____ Email: _____
Address: _____
Telephone: _____ Fax: _____
Cell Number: _____

■ SECTION C1: COMPANY BANKING INFORMATION

Bank Name: _____ Business Account #: _____
Name Bank Account: (if different from above): _____ Loan Account #: _____
Address: _____
City: _____ State: _____ Zip Code: _____
Bank Officer/Contact Name: _____ Title: _____
Telephone: _____ Years with Bank: _____

■ SECTION C2: GUARANTOR BANKING INFORMATION

Bank Name: _____ Business Account #: _____
Name Bank Account: (if different from above): _____ Loan Account #: _____
Address: _____
City: _____ State: _____ Zip Code: _____
Bank Officer/Contact Name: _____ Title: _____
Telephone: _____ Years with Bank: _____

Trade References

■ SECTION D: TRADE REFERENCES (Please do not list credit card accounts /cell phones / car loans / utilities)

Vendor Reference #1:

Vendor Name: _____ Title: _____
Account # _____ Contact Name: _____
Telephone: _____ Fax: _____
Email: _____

Vendor Reference #2:

Vendor Name: _____ Title: _____
Account # _____ Contact Name: _____
Telephone: _____ Fax: _____
Email: _____

Vendor Reference #3:

Vendor Name: _____ Title: _____
Account # _____ Contact Name: _____
Telephone: _____ Fax: _____
Email: _____

Agreement to Sales Terms

■ SECTION E: AGREEMENT TO SALE TERMS

All invoices are due on the date set forth thereon. ADI has the consent of the undersigned, acting on behalf of the Company and himself or herself to collect, use and disclose the information collected in Section C for the purpose of periodically assessing the creditworthiness of the Company and conducting a related credit investigation, which includes contacting the relevant bank and trade references, as well as obtaining periodic credit reports from the credit bureaus. ADI reserves the right to evaluate Buyer's credit at any time and if ADI deems, in its sole discretion, that Buyer's credit no longer supports the credit line, ADI may reduce, freeze or terminate the credit line. Buyer agrees to make all payments in a timely manner and acknowledges that all transactions between the parties shall be governed by the terms and conditions accompanying each invoice. If this account goes out of terms, notwithstanding any other rights ADI may have under law or in equity, Buyer agrees that ADI may assess, and Buyer agrees to pay late charges (not to exceed the lesser of 1.5 % per month or the maximum amount permitted by law), reasonable attorney fees, collection agency fees and other costs associated with its collection efforts. Thereafter, any amounts paid by Buyer shall be applied first, to the payment of all expenses and charges, including attorneys fees, incurred by ADI in the protection of its rights or the pursuance of its remedies; second with respect to late charges due and payable; and third, to the outstanding balance due under this account. All obligations of Buyer, if there is more than one Buyer, shall be joint and several.

■ SECTION F: SECURITY INTEREST:

As continuing security for the prompt payment of all amounts now or subsequently owing by the Buyer to ADI, including, without limitation, the balance outstanding from time to time of the purchase price of products sold to Buyer by ADI, and the strict performance and observance by the Buyer of all agreements, warranties, representations, covenants and conditions of the Buyer made pursuant to this agreement or any other agreement between the Buyer and ADI from time to time (collectively, the "Obligations"), Buyer grants to ADI (i) a continuing, specific and fixed purchase money security interest in and to all products now or hereafter sold to Buyer by ADI (the "Products") and (ii) a continuing specific and fixed security interest in and to all of the Buyer's other property, rights and assets of every nature and kind, now owned or subsequently acquired by the Buyer and at any time and from time to time existing or in which the Buyer has or acquires an interest, including all personal property, insurance policies, annuities, financial assets, accounts, chattel paper, contracts, alarm monitoring contracts, documents of title, equipment, intangibles, inventory, investment property, together with all increases, attachments, additions, modifications and accessions to any of them and all substitutions or any replacements of any of them, and all Proceeds (as defined in the applicable Uniform Commercial Code) thereof, and any related software rights (embedded therein or otherwise) (collectively, including the Products, the "Secured Property"). Buyer shall execute, at ADI's request, such other and further documents (including a general security agreement, UCC Financing Statements or other similar documents) as may be necessary or desirable to further evidence, perfect or amend such security interest. Buyer hereby authorizes ADI to file any such security agreement, financing statement or other document to secure and perfect its interest granted herein without Buyer's consent. Buyer will not directly or indirectly create, incur, assume or suffer to exist any lien, encumbrance, right of distraint or any other claim (collectively, "Liens") on or with respect to the Secured Property, except for the Lien granted hereby, which Lien will at all times constitute a valid, perfected and enforceable first priority security interest in favor of ADI. Buyer will immediately notify ADI in writing upon receipt of any notice of any Lien affecting the Secured Property and Buyer, at its own expense, will promptly pay, satisfy or otherwise take such actions as may be necessary to remove, and keep the Secured Property free and clear of, any and all such Liens. If requested by ADI at any time prior to the Obligations being satisfied in full, Buyer will obtain and deliver to ADI waivers of interest or liens, and assurances of ADI's right to remove the Secured Property, in recordable form and satisfactory to ADI, from all persons claiming any interest in the real property on which an item of Secured Property is located, including landlord and mortgagee waivers. The Secured property shall be kept at the address stated in Section A hereof.

■ SECTION G: DEFAULT AND REMEDIES:

Upon any default by the Buyer in performing any Obligations, ADI may exercise any one or more of the following remedies:

(a) Cancel and terminate any open purchase orders or other similar agreements with Buyer; (b) declare the entire balance of all Obligations immediately due and payable, whereupon such sum shall become immediately due and payable by ADI; (c) demand return of, and upon such demand Buyer shall, return all Secured Property to Buyer by delivering such Secured Property to ADI at a location designated by ADI within the Continental United States or, if specified by ADI, into the custody of a carrier designated by ADI (if the Secured Property is delivered into the custody of a carrier, Buyer shall arrange for the shipping of the Secured Property and insurance in transit in accordance with ADI's instructions and at Buyer's sole expense); (d) Enter any premises where any Secured Property is located and take immediate possession of any or all Secured Property, without demand or notice, wherever same may be located, with or without any court order or pre-taking hearing or other process of law, and without liability; (e) Sell, lease or otherwise dispose of any or all of the Secured Property, whether or not in ADI's possession, at public or private sale, with or without advertisement or notice to Buyer, and ADI may be the purchaser at any such sale (if any notice is required, Buyer agrees that ten (10) days notice shall be commercially reasonable); and (f) Pursue any other remedy available at law or in equity, including without limitation any and all rights and remedies under the applicable Uniform Commercial Code .

Buyer shall also be liable for and shall pay to ADI all costs and expenses incurred by ADI in connection with the enforcement of any of ADI's remedies, including all expenses of repossessing, storing, shipping, repairing and selling the Secured Property, and including, without limitation, ADI's reasonable attorneys' fees, costs and expenses. Buyer hereby waives any and all damages occasioned by ADI's retaking the Secured Property, except such damages as may be caused by ADI's gross negligence or willful misconduct. ADI may expose the Secured Property for resale or lease at Buyer's premises during reasonable business hours without being required to remove the Secured Property. In the event ADI disposes of any Secured Property, ADI shall credit against Buyer's Obligations any excess sums received by ADI from the sale or lease of the Secured Property after deduction of the expenses of sale or lease, and Buyer shall remain liable for any deficiency. To the extent permitted by applicable law, ADI shall have no duty to mitigate damages hereunder. All remedies of ADI hereunder are cumulative, are in addition to any other remedies provided for by law and may, to the extent permitted by law, be exercised simultaneously or separately. The exercise of any one remedy shall not be deemed to be an election of such remedy or to preclude the exercise of any other remedy. No failure on the part of ADI to exercise, and no delay in exercising, any right or remedy shall operate as a waiver thereof or modify the terms hereof. A waiver of any default shall not be a waiver of any other or subsequent default.

The laws of the state of New York shall govern our relationship. The parties submit to the personal jurisdiction of the state and federal courts located in the County of Suffolk, State of New York.

Buyer understands that it has the right to access and correct Buyer information held by ADI by making a written request to ADI and to withdraw its consent in writing to ADI's future access of Buyer credit information. Nothing herein constitutes a commitment by ADI to extend credit to Buyer, it being understood that whether ADI extends credit to Buyer shall be a decision solely within ADI's discretion. If ADI determines, in its sole discretion, to extend credit to Buyer, ADI reserves the right to revoke credit privileges and close an existing account without notice and for any reason or no reason. Buyer recognizes that guarantor may withdraw his or her consent to the collection, use and distribution of his or her personal information by ADI for the purposes described above and such withdrawal may, at the election of ADI, result in the cancellation of all credit terms, prior terms or arrangements with you and ADI may call all amounts currently owing due and payable in full. You and each principal have read and understand the terms of credit as indicated above and the transaction terms set forth in ADI's standard terms and conditions and agree to abide by them. Each principal is signing on behalf of the applicant as an authorized signatory and also in his/her personal capacity. Buyer represents to ADI that the Products will be used by Buyer only for lawful business purposes, and not for personal, family or household purposes.

Name (Please Print): _____ Title: _____

Signature: _____ Date: _____

Notarize: _____

SSN: _____

■ SECTION H: NOTICE TO APPLICANT:

If your application for business credit is denied, you have a right to a written statement of the specific reasons for the denial, if such statement is requested in writing within 60 days from the date you are notified of the denial decision. To obtain the statement, please contact ADI at 263 Old Country Road, Melville, New York 11747 or call 800.545.6776 OPT #2. We will send you a written statement of reasons for the denial within 30 days of receiving your request. 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 the Federal Trade Commission, Equal Credit Opportunity, Washington, DC 20580.

Agreement to Guarantee

■ SECTION I: GUARANTEE

ADI has the consent of the undersigned ("Guarantor") in his or her personal capacity as guarantor, to collect, use and disclose the personal information collected in Section C2 for the purpose of assessing the creditworthiness of you as guarantor and conducting a related credit investigation, which includes contacting the relevant bank and trade references, as well as obtaining a credit report from the credit bureaus. You recognize that you may withdraw your consent to the collection, use and distribution of your personal information by ADI for the purposes described above however, such withdrawal may, at the election of ADI, result in the cancellation of all credit terms for the Company, prior terms or arrangements with the Company or you and ADI may call all amounts currently owing by the Company due and payable in full. You may update this information at any time by making a written request to ADI.

As an inducement to ADI to grant credit or assume a credit risk, from time to time, with respect to sales of Products by ADI, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the undersigned, Guarantor hereby unconditionally, absolutely, and irrevocably guarantees to ADI, its successors and assigns, the prompt payment and performance when due (whether by acceleration or otherwise), or upon demand thereafter, of all of the Obligations (as defined in Section G) whether such Obligations currently exist or come to exist hereafter, together with interest and all reasonable attorneys' fees, costs and expenses incurred by ADI in connection with the collection or enforcement of any rights hereunder. This Guarantee is and shall be construed to be an absolute, continuing, irrevocable, unconditional and unlimited guarantee of payment and performance, and not merely a contract of surety or guaranty of collection. ADI shall have the right to proceed against guarantor immediately upon any default by Buyer of any of the Obligations and shall not be required to take any action or proceeding of any kind against Buyer or any other party liable for the Buyer's debts or any security which ADI may hold, either under this Guarantee, or otherwise, before proceeding against Guarantor hereunder. The liability of Guarantor hereunder shall not be reduced, effected, impaired, or discharged, in whole or in part, by reason of (a) the fact that any of the Obligations may be, or may arise out of any transaction which may be, illegal, invalid, irregular, or unenforceable, for any reason whatsoever; (b) the failure of ADI to assert any claim or demand or to enforce any right or remedy against Buyer; (c) any extension or renewal of any Obligation; (d) any settlement, compromise or subordination of any Obligation; (e) the insolvency, bankruptcy, reorganization, or cessation of business of Buyer; (f) the sale of all or substantially all of Buyer's assets or capital stock; (g) the assignment, delegation or other transfer of this Guarantee to any other entity without ADI's consent; (h) by any payment to ADI, from any source which ADI thereafter returns or refunds, in whole or in part, by reason of the assertion of any claim of any kind relating thereto including, without limitation, any claim of breach of contract, breach of warranty, preference, illegality, invalidity or fraud; (i) the taking, exchange, enforcement, transfer, substitution, collection, liquidation, waiver, subordination or release of any security for Buyer's Obligations, or the failure to perfect, or the lapse of perfection of, any such security; or (j) any other defenses available to a surety under applicable law.

In the event that ADI for any reason (including but not limited to bankruptcy preferences), is required to repay or disgorge any amounts or property received by it in respect of the Obligations, then the liability of Guarantor hereunder, with respect to such amounts or property, shall be reinstated. Guarantor agrees that all present and future indebtedness of Customer to Guarantor is hereby subordinated to the Obligations, and that Guarantor shall have no right of subrogation against Buyer unless and until the Guaranteed Obligations are paid in full.

TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, GUARANTOR AND ADI WAIVE ALL RIGHTS TO A JURY TRIAL IN ANY LITIGATION ARISING FROM OR RELATED IN ANY WAY TO THIS GUARANTEE.

Guarantor consents to the personal jurisdiction of the state and federal courts located in the County of Suffolk, State of New York. Guarantor agrees to pay all costs and expenses, including reasonable attorneys fees and disbursements, incurred by ADI in the enforcement, or attempted enforcement, of any and all terms hereof.

The bank may release to ADI normal credit information relative to the bank account of the undersigned guarantor identified in Section C2 above. ADI reserves the right to evaluate the undersigned's credit at any time and if ADI deems, in its sole discretion, the undersigned's credit to be not creditworthy, ADI may call all amounts currently due and payable by Buyer in full.

Guarantor Name (Please Print): _____ Title: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Telephone: _____ Email: _____

Signature: _____ Date: _____

Notarize: _____ SSN# _____