

APPLICATION FOR CREDIT

Lake Erie Systems & Services
5321 Buffalo Road, Erie, PA 16510 · USA
800-570-4533 · (814) 898-0704 · Fax (814) 899-1384

Please fill out all blanks, **SIGN** and fax back to 814-899-1384 or email jrandall@lkerie.com.

Company Name _____ D&B Number _____
 Parent Company or Organization _____ D&B Number _____
 Gross Sales _____ Number of Employees _____ Years in Business _____
 Corporate Phone (_____) _____ - _____ Fax (_____) _____ - _____
 Bill to Address _____
 City _____ State _____ Zip _____
 Ship to Address (no PO Box numbers) _____
 City _____ State _____ Zip _____
 A/P Contact _____ Phone (_____) _____ - _____
 A/P Email _____ EIN # _____
 Purchasing Contact _____ Phone (_____) _____ - _____
 Purchasing Email _____ Web Site _____
 Company Principals _____
 Type of Business (be specific) _____

BANK REFERENCE

Bank Name _____
 Address _____ City _____ State _____ Zip _____
 Phone (_____) _____ - _____ Checking Acc't. # _____ Contact _____

TRADE REFERENCES (full addresses & phone number must be entered — no PO Box numbers)

Name _____ Type of Business _____
 Address _____ City _____ State _____ Zip _____
 Phone (_____) _____ - _____ Fax (_____) _____ - _____ Terms _____ Account Number _____

Name _____ Type of Business _____
 Address _____ City _____ State _____ Zip _____
 Phone (_____) _____ - _____ Fax (_____) _____ - _____ Terms _____ Account Number _____

Name _____ Type of Business _____
 Address _____ City _____ State _____ Zip _____
 Phone (_____) _____ - _____ Fax (_____) _____ - _____ Terms _____ Account Number _____

AGREEMENT — Applicant agrees that extension of credit by seller shall be subject to and in consideration of the following:

1. Terms are that which are stated on the invoices. All amounts are due in accordance with said stated terms.
2. Past due balances are subject to a service charge of a maximum permitted by state law.
3. Should it be necessary to assign the account balance to a licensed collection agency or attorney for legal action, all subsequent collection charges and legal fees shall be paid by the applicant.
4. The undersigned agrees to the terms and conditions stated herein and on reverse.
5. The undersigned hereby authorized the above mentioned banks and companies to release the information requested.

Signed _____ Print Name _____
 Title _____ Date _____ Email _____

1. TERMS AND CONDITIONS OF SALE: Lake Erie Systems and Services Inc. (hereafter referred to as seller) offers to sell the goods, products or services described herein on the terms and conditions of sale hereof. The terms and conditions stated herein constitute a binding agreement of Buyer and Seller upon Buyer's acceptance of this counter-offer. Buyer's acceptance shall occur upon the earlier of (i) receipt by Seller of the acknowledgment copy hereof signed by Buyer or (ii) Buyer's acceptance of delivery of the goods. If any different additional or conflicting terms appear in Buyer's acceptance, a binding agreement will result upon Seller's terms and conditions stated herein. Seller may revoke this counter-offer at any time prior to acceptance. Seller hereby rejects all terms and conditions stated in Buyer's purchase order or contract. Neither Seller's commencement of performance nor its delivery of products hereunder shall be deemed or construed as an acceptance of any additional, different or conflicting terms or conditions of Buyer. These terms and conditions shall not be amended, altered or changed except by written agreement signed by both Buyer and Seller.

2. PRICES: Prices shall be as stated on invoice. Seller accepts Buyer's purchase order or as specified on an authorized quotation in force at the time order is placed. Prices are exclusive of all federal, state, municipal, or other government sales, excise, use or like taxes now in force or imposed in the future. Such taxes applied directly to the sale hereunder shall be paid by the Buyer or in lieu thereof, Buyer shall provide Seller a tax exemption certificate acceptance to the taxing authorities. Prices do not include transportation, rigging, drayage, insurance charges, duties, customs charges, or other costs associated with delivery of equipment to the destination(s) specified by Buyer, all of which shall be paid by Buyer, or if paid by Seller, shall be promptly reimbursed by Buyer to Seller. If special packaging or handling is requested, Buyer shall pay the increase in cost over that for standard packing material and procedures.

3. PAYMENT: The terms of payment shall be as stated on invoice. A finance charge on overdue accounts may be imposed at the lesser of one and one half percent (1½%) per month or the maximum legal interest rate per month on the account of the unpaid balance from the date of invoice to the date of payment. In case of partial shipment, prorated payments shall be made for each shipment. Seller reserves the right to change the credit terms herein when, in the Seller's opinion, the financial condition of or previous payment record of the Buyer so warrants. If at any time Seller requests written assurance with respect to Buyer's financial condition, Buyer shall deliver the same to Seller, in form and substance satisfactory to Seller, within ten (10) business days after receipt of Seller's request. If Buyer fails to deliver such assurance, Seller may suspend delivery until receipt of such assurance.

4. SECURITY INTEREST: Seller retains a purchase money security interest in all equipment sold and the proceeds thereof until payment in full is received by Seller. Failure to pay the purchase price of equipment when due shall give Seller the right to repossess the equipment and to avail itself of any other legal remedy. Buyer agrees to execute appropriate financing statements upon request by Seller and to pay all expenses for recording thereof.

5. APPLICABLE LAW: This agreement and all purchases hereunder are made in, governed by, and shall be construed in accordance with the laws of the State of Pennsylvania.

6. WARRANTY: NEW EQUIPMENT: Standard manufacturer's warranty, solely as provided by the manufacturer. **SPARE PARTS, REPAIRS, USED EQUIPMENT:** Unless otherwise stated on our invoice, Lake Erie Systems warrants that USED/REFURBISHED equipment will be free from operational defects for a period of 90 days from ship date. SPARE parts and part repair warranty is 90 days from ship date. For repairs, there is a 90-day warranty on parts and labor for the actual parts repaired or replaced. During that time, Lake Erie Systems will (at our option) repair or replace any defective equipment returned to us. Lake Erie Systems is not responsible for any charges or remedy beyond repair or replacement of defective merchandise, or refund of the purchase price. USED EQUIPMENT MAY HAVE COSMETIC DEFECTS that do not affect the operational use of the product. These cosmetic defects are not covered by this warranty. Above warranties do not apply to products damaged by lightning storms, water damage, power problems, or which have been neglected, abused, altered or had repairs attempted without our authorization, or products used for a purpose other than intended by the manufacturer, or contrary to their instructions. Other than stated above, Lake Erie Systems makes no other warranty, expressed or implied, and all implied warranties of merchantability and fitness for a particular purpose are hereby disclaimed. Lake Erie Systems shall not be liable for incidental, indirect, special, punitive or consequential damages, including without limitation, damages for loss of property or equipment, loss of revenue or profits, loss of data or use, costs of capital or claims of Buyer's customers. Lake Erie System's liability under or for breach of this agreement shall be limited to an amount equal to the purchase price paid by Buyer for products or services furnished hereunder. **BUYER IS RESPONSIBLE FOR ALL FREIGHT CHARGES INCURRED FOR WARRANTY ITEMS. LAKE ERIE SYSTEMS WILL NOT PAY FOR ANY REPAIRS PERFORMED BY A THIRD PARTY WITHOUT OUR WRITTEN CONSENT.**

7. RETURNS: Returned goods must be unaltered and in resaleable condition in the original packaging. Buyer must call to obtain a Return Material Authorization (RMA) number. All returns must be made within 30 days and accompanied by an RMA number, or they will not be accepted. RETURNED MERCHANDISE IS SUBJECT TO OUR CURRENT RESTOCKING CHARGE. Laser printer and other printer consumables may not be returned unless defective, and can be exchanged for like product only, within 30 days of receipt. Certain Special Order items may not be returnable.

8. CORE RETURNS: Our advance-exchange program requires the return of core RMA units to Lake Erie Systems within thirty (30) days after the advanced unit has been shipped, unless otherwise specified. Core returns must be accompanied by an RMA number, or they will not be accepted. Core units must be returned in "as failed in the field" condition and must be repairable and not damaged beyond repair as defined by Lake Erie Systems. They cannot have lightning or physical damage and must be operationally complete and have no missing components. Lake Erie Systems has the right to reject any core unit that does not meet the above specifications. If the core unit is rejected, the buyer will pay full price for the advance exchange unit. Return items should be shipped freight prepaid. Lake Erie Systems will not accept COD shipments, nor are we responsible for return shipment charges.

9. ACCEPTANCE BY BUYER - ENTIRE AGREEMENT: The terms and conditions as set forth herein shall constitute the entire agreement between Seller and Buyer. Acceptance by Buyer of these terms may be made either by written acceptance, or by receipt by Buyer of shipment of any products described on the invoice document and failure by Buyer to return the same within five (5) days following delivery of such products as herein provided.

This contract shall not be modified, supplemented, qualified, or interpreted by and trade usage or prior course of dealing not made a part of the contract by its express terms.

The failure by Seller to enforce at any time any of the provisions of this contract, or to exercise any election or option provided herein, shall in no way be construed as a waiver of such provisions or options, nor in any way affect the validity of this agreement or any part thereof, or the right of Seller thereafter to enforce each and every such provision.

Buyer hereby acknowledges that he has not entered into this agreement in reliance upon any warranty or representation by any person or entity except for the warranties or representations specifically set forth herein.

10. CATEGORIES OF EQUIPMENT:

NEW: Brand new equipment, full manufacturer's warranty.

UNUSED: Equipment that is either new, but out of manufacturer's warranty, or equipment that has been opened, and upon our inspection, appears to have never been actually used. The equipment is usually in the manufacturer's original packaging, and carries a 6-month Lake Erie Systems depot repair warranty, except where explicitly noted in a sales agreement or on our invoice.

REFURBISHED: Equipment that is usually used, and has been inspected and tested by Lake Erie Systems or directly by the manufacturer or their agent. Parts of the equipment which are deemed to be defective or worn, aged or otherwise unsuitable for proper operation may, at our discretion, be repaired or replaced to improve the operation, quality, reliability or visual appearance of said equipment. Equipment which is represented as refurbished is generally suitable for normal operation. Refurbished equipment is not to be confused with REMANUFACTURED or REBUILT equipment, or any related implications thereof. Equipment sold as refurbished has a 90-day Lake Erie Systems return-to-depot warranty except where explicitly noted in a sales agreement or on our invoice.

USED: Equipment that has been previously owned and used. Except where otherwise stated, this equipment is tested (but not refurbished) and deemed suitable for normal operation by Lake Erie Systems. Used equipment is guaranteed to be fully functional, although some items may have cosmetic defects as would be expected on used equipment, and covered by a 90-day Lake Erie Systems return-to-depot warranty, unless explicitly stated otherwise.