

## **TERMS AND CONDITIONS FOR CREDIT APPLICATION FOR PROMOTIONAL PRODUCTS DISTRIBUTORS**

These terms and conditions (these "Terms") apply to the submission by an applicant ("Applicant") of a credit application for promotion promotional product distributors (the "Application") to IMAGEN Brands, LLC, an Alabama limited liability company ("Creditor"). Your submission of the Application to Creditor is an agreement to be bound by these Terms. These Terms are subject to change by Creditor without prior written notice at any time, in its sole discretion. The following representations and warranties made by any Applicant that includes multiple individuals or entities will be deemed to be made jointly and severally.

**1. Application for Credit.** Applicant acknowledges and agrees that nothing in these Terms or the Application shall obligate or require Creditor to extend credit to Applicant. All decisions with respect to the extension or continuation of credit to Applicant shall be in the sole discretion of Creditor. Applicant agrees to provide Creditor, upon request, with an updated credit application as a condition for the continued extension of credit.

**2. Credit Reports.** Applicant authorizes Creditor from time to time to obtain one or more written or oral credit reports from any reporting agency and to obtain information regarding Applicant from any creditor of Applicant. Applicant further authorizes Creditor to reinvestigate Applicant's credit status from time to time as Creditor deems necessary. Creditor reserves the right to limit, terminate or change the terms of any extension of credit to Applicant in its sole discretion.

**3. Solvency.** Applicant understands that its continued solvency is a condition precedent to the extension of credit by Creditor and Applicant acknowledges and agrees that Creditor may utilize outside credit reporting services to obtain information on Applicant. Upon request, the Applicant agrees to provide creditor a statement representing that Applicant is and remains solvent or financial information evidencing the solvency of Applicant.

**4. Costs and Fees.** Applicant agrees to a minimum assessment charge of twenty-five dollars (\$25.00), or the highest amount allowed by law, on any check made by Applicant returned for insufficient funds or otherwise. Additionally, Applicant shall be responsible for all costs and fees associated with the collection by Creditor of any amounts due hereunder, including without limitation, attorneys' fees and expenses. If full payment is not made on any amounts due hereunder or due pursuant hereto, Applicant agrees to pay Creditor a monthly late charge equal to 1.5% of the amount of all unpaid balances (18% per annum) or the highest rate permissible by applicable law.

**5. WAIVER OF JURY TRIAL; ARBITRATION. APPLICANT KNOWINGLY AND INTENTIONALLY WAIVES THE RIGHT TO A TRIAL BY JURY ON ANY ISSUE, CLAIM, COUNTERCLAIM, SETOFF, DEMAND, ACTION OR CAUSE OF ACTION ARISING OUT OF OR IN ANY WAY PERTAINING OR RELATING TO THIS APPLICATION OR TO ANY OF THE TRANSACTIONS OR PURCHASES BETWEEN APPLICANT AND CREDITOR OR ANY DISPUTE THAT MAY ARISE BETWEEN APPLICANT AND CREDITOR.**

**6. Terms of Purchases.** Applicant agrees that all amounts payable to Creditor pursuant to any written, quoted or agreed upon terms will be paid by Applicant on or before the due date, and, if not timely paid, time being of the essence, will be deemed delinquent. Applicant agrees to pay for all purchases according to the terms provided by Creditor in connection with any such purchase. No terms or conditions of purchases that differ from these Terms will become part of

any sales agreement, purchase order, or other document pertaining to the purchase of goods by Applicant from Creditor unless the same is specifically approved in writing by Creditor.

**7. Security Interest.** As collateral security for the credit extended to Applicant by Creditor, Applicant grants to Creditor a lien on and security interest in and to all of the right, title and interest of Applicant in, to and under all inventory or products purchased by Applicant from Creditor, wherever located, and whether now existing or hereafter arising or acquired from time to time, and in all accessions thereto and replacements or modifications thereof, as well as all proceeds (including insurance proceeds) of the foregoing. The security interest granted under this provision constitutes a purchase money security interest under the state of Alabama Uniform Commercial Code. Creditor may file a financing statement for the security interest and Applicant shall execute any statements or other documentation necessary to perfect Creditor's security interest in the products.

**8. Authorization; True and Correct.** Applicant represents that all of the information contained in the Application and any attachments are true and correct; and that all purchases made by Applicant from Creditor will be made in the ordinary course of business of Applicant for business purposes and that no credit is sought or will be obtained for the personal, family or household purposes of any individual.

**9. Governing Law.** All matters arising out of or relating to these Terms is governed by and construed in accordance with the internal laws of the State of Alabama without giving effect to any choice or conflict of law provision or rule (whether of the State of Alabama or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than those of the State of Alabama.