



CREDIT APPLICATION
WITH UNLIMITED CONTINUING GUARANTY AGREEMENT TO

VERNOR MATERIAL & EQUIPMENT CO. INC.

Date: _____

Phone: _____

Fax: _____

Company Name: _____

Mailing Address: _____ Physical Address: _____

Corp. LLC LLP President: _____

How long in business? _____ Type of business: _____

Federal Tax ID: _____ Website: _____

Taxable Entity? Yes No * If not, please send exemption certificate.

What service and/or materials will your company be acquiring from us?

Accounts Payable contact information:

Name: _____ Phone: _____

Email address: _____ Fax: _____

Job information:

Physical address: (Required) _____

Location: _____ Type of job: _____

Supervisor: _____ Prime contractor: _____

Is the job bonded? Yes No Bonding company: _____

Bank Information:

Name and phone number: _____

Officer: _____

Checking

Loans

List three (3) companies you have credit experience with:

1. Company: _____ Phone: _____

Address: _____ Fax: _____

2. Company: _____ Phone: _____

Address: _____ Fax: _____

3. Company: _____ Phone: _____

Address: _____ Fax: _____

I / We submit for Vernor Material & Equipment Co. Inc.'s consideration the above information to establish a credit account. If approved, I / We agree to make payment of the amount of the current balance of the credit account to Vernor Material & Equipment Co. Inc. at its office in Freeport, Brazoria County, Texas, by the tenth of each month following the date of invoice. We further agree to pay a delinquency charge of eighteen percent (18%) per annum on all invoices that remain unpaid thirty (30) days after they become due. Purchases and/or deliveries are herewith authorized to be made without signature. I / We further agree that if legal actions are brought to collect payment on the credit account, that the venue of such legal action shall be in Brazoria County, Texas, and to pay all attorney fees, witness fees, court costs and expenses that Vernor Material & Equipment Co. Inc. incurs in connection with collection of any amounts owed to Vernor Material and Equipment Co. Inc.

Please complete all questions and return to Vernor Material & Equipment Co. Inc / Accounts Receivable Department at fax number: (979) 233-6167.

If you have any questions please call us at (979) 233-3366.

Customer Signature and Title

A signed and approved credit application and unlimited continuing guaranty agreement must be on file with Vernor Material & Equipment Co. Inc. before any credit purchases can be made.

UNLIMITED CONTINUING GUARANTY AGREEMENT

1. FOR VALUE RECEIVED, the sufficiency of which is hereby acknowledged, and in consideration for any loan, credit or other financial accommodation heretofore or hereafter at any time made or granted to _____ which has its principal place of business in Brazoria County, Texas (hereinafter called "Borrower," whether one or more), by Vernor Material & Equipment Company, a Texas corporation which has its principal place of business in Freeport, Brazoria County, Texas (hereinafter called "Lender"), the undersigned, jointly and severally (hereinafter called "Grantor," whether one or more), unconditionally guarantees the prompt payment when due of all indebtedness, obligations, and liabilities of any kind including, but not limited to principal, interest and collection fees, of the Borrower to the lender now outstanding or owing or which may hereafter be executed or incurred, and whether incurred by the Borrower as principal, surety, endorser, guarantor accommodation party, or otherwise (said sums being hereafter called "The Indebtedness").
2. In the event of death, incompetency, dissolution, or insolvency of Borrower, or if a Petition is filed against or by Borrower seeking relief under the bankruptcy, arrangements or other debtor relief laws of the United States or if a receiver be appointed for any part of the property of Borrower or if a judgment is entered against Borrower, Lender shall have the option to demand the full amount of the amounts guaranteed hereunder, notwithstanding the fact that at the same time such above described event shall occur the Indebtedness may not be due and payable.
3. This guaranty is an absolute, complete and continuing one, and no notice of the Indebtedness or any extension of credit already, or hereafter, contracted by or extended by the Lender need be given to the Guarantor. Borrower and Lender may rearrange, extend and/or renew the Indebtedness without notice to the Guarantor and in such even Guarantor will remain fully bound hereunder on such Indebtedness. The Guarantor hereby expressly waives presentment, demand, protest and notice of protest and dishonor on any and all forms of such Indebtedness, all diligence in collection or protection of or realization upon the Indebtedness, or any part thereof or any security therefore, and also notice of acceptance of the guaranty, acceptance on the part of Lender being conclusively presumed by its request for this guaranty and delivered of the same to it.
4. Guarantor authorizes Lender, without notice or demand and without affecting his liability hereunder, to obtain a guaranty of Indebtedness from any one or more persons, corporations or entities whomever and at any time or times to enforce, waive, rearrange, modify, limit or release the Borrower or such other persons, corporations or entities from their obligations under such guaranties.
5. Guarantor waives any right to require Lender to (a) proceed against the Borrower, (b) proceed against or exhaust any security held from the Borrower, or (c) pursue any other remedy in Lender's power whatever before proceeding against the undersigned. Guarantor waives any defense arising by reason of any disability, lack of corporate authority or power, or other defense of the Borrower or any other guarantor of the Indebtedness, and shall remain liable hereon regardless of whether Borrower or any other guarantor be found not liable thereon for any reason. Until all the Indebtedness shall have been paid in full, Guarantor shall have no right of subrogation, and waives any benefit of and any right to participate in any security now or hereafter held by Lender.
6. Guarantor will, within five (5) days from date of notice from Lender of Borrower's failure to pay all or any part of the Indebtedness when due, pay to the Lender the amount due and unpaid by said Borrower. The failure of Lender to give this notice shall not in any way release Guarantor hereunder. Guarantor agrees that if the maturity of any Indebtedness hereby guaranteed is accelerated by bankruptcy or otherwise, such maturity shall also be deemed accelerated for the purpose of this guaranty without demand or notice of Guarantor.
7. It is expressly agreed that the liability of the Guarantor for the payment of the Indebtedness secured hereby shall be primary and not secondary, and an action to enforce Guarantor's liability hereunder may be maintained against Guarantor alone without the joinder of Borrower or any other Guarantor.
8. In the even it becomes necessary for Lender to employ and attorney to enforce this guaranty, Guarantor agrees to pay, in addition to all other sums guaranteed hereunder, Lender's reasonable attorney's fees if not less than ten percent (10%) of the Indebtedness owing at the time said Indebtedness is placed in the hands of an attorney for collection.

9. Lender may, without notice of any kind, sell assign or transfer any of the Indebtedness, and in such event each and every assignee, transferee or holder of the Indebtedness shall have the right to enforce this guaranty, but the Lender shall have an unimpaired right, prior and superior to that of any such assignee, transferee or holder to enforce this guaranty for the benefit of Lender, as to so much of the Indebtedness as it has not sold, assigned or transferred.

10. This guaranty is executed and delivered in Brazoria County, Texas and all payments hereunder shall be due and payable at Lender's office in Freeport, Brazoria County, Texas.

11. No provision of this guaranty, or any other instrument executed in connection herewith, shall require the payment or permit the collection of interest in excess of the maximum rate permitted by law for the time the Indebtedness shall be outstanding and unpaid and, if by reason of acceleration of maturity of the Indebtedness, or for any other reason, interest in excess of the maximum rate permitted by law shall be contracted for, charged or received or shall be adjudicated by a Court of competent jurisdiction to be so provided in the Indebtedness or any other instrument executed in connection herewith, the provisions of this paragraph shall govern, and neither the Guarantor nor his heirs or assigns shall be obligated to pay the amount of such interest to the extent that it is in excess of the maximum rate permitted by law, and any such excess so paid shall operate to reduce the Indebtedness by the amount of such excess, or if in excess of the Indebtedness, such excess shall be waived and refunded to the parties entitled thereto and such instruments shall be immediately reformed and the amounts collectible reduced, without the formality of the execution of new documents, so as to comply with applicable law. All amounts paid on the Indebtedness which are deemed interest shall for purposes of the calculation provided for herein be deemed and considered to be amortized, prorated, allocated and spread in equal parts during the full stated term of the Indebtedness. It is the intention of the parties to conform strictly to the usury laws now in force and any contract for interest shall be held subject to reduction of the amount allowed under the usury laws and now or hereafter construed by courts having jurisdiction.

12. The guarantee shall be binding upon the undersigned, his or her heirs, legal representatives, successors or assigns, and this guarantee is cumulative and in addition to any other guaranties of the same Indebtedness or a part thereof executed prior or subsequent to this date.

13. Guarantor hereby waives trial by jury in any action or proceeding of any kind or nature in any court to which it may be a party, whether arising out of, under, or by reason of this Unlimited Continuing Guaranty Agreement, or other transaction hereunder or by reason of any other cause or dispute between Vernor Material & Equipment Company, Inc., its employees, agents, or assigns and the Guarantor.

WITNESS THE EXECUTION HEREOF, this the _____ day of _____, 20_____.

Address:

_____, INDIVIDUALLY

Social Security Number _____

Texas Driver's License Number _____

_____, INDIVIDUALLY

Social Security Number _____

Texas Driver's License Number _____

NOTICE TO GUARANTOR

This notice is being supplies in compliance with C.F.R. 227, Regulation AA, promulgated by the Federal Reserve Board and applies to any guaranteed indebtedness which may be a consumer credit obligation as defined in such Regulation AA.

You are being asked to guarantee the debt of Borrower now existing or hereafter arising. There is no limit as to the amount unless this Continuing Guaranty expressly provides for such limitation. Think carefully before you guarantee the existing and future debts of Borrower. If the Borrower doesn't pay any of such debts, you will have to. Be sure that you can afford to pay all such debts if you have to and that you want to accept this responsibility. You may have to pay up to the full amount of all Borrower's debts if the Borrower does not pay. You may also have to pay late fees or collection costs, which may increase this amount. Lender can collect such debts from you without first trying to collect from the Borrower. Lender can use the same collection methods against you that can be used against the Borrower, such as suing you, etc. If any such debts are ever in default, that may become part of your credit record.

This notice is not the contract that makes you liable for the Borrower's debts. The Continuing Guaranty set forth above is, however, a contract that makes you liable for the Borrower's debts.

By signing below, Guarantor acknowledges (1) that Guarantor has received, read and understood (a) the Continuing Guaranty and (b) the Notice to Guarantor and (2) that all information provided to the Lender is true, correct and sufficiently complete so as not to be misleading and that the Lender has relied on such information in extending financial accommodations to the Borrower.

GUARANTORS:

_____, INDIVIDUALLY

_____, INDIVIDUALLY

We are pleased that you are interested in obtaining credit with our company. To ensure your company account gets the proper attention please fill out areas designated with * below. It will be sent to the three(3) companies whom you have listed.

* Your Company Name: _____

* Name of person authorizing the release of information: _____

* Title: _____ *Phone Number: _____

Name of person filling out this form: _____ Title: _____

We will of course keep any information we receive in the strictest confidence.