

CREDIT POLICY

1. Alvarado's standard terms are Payment In Advance unless trade credit is established. Trade credit is rarely available on initial orders. We accept cash, checks, wire transfers and selected credit cards at the time of purchase. If a credit card is used for payment after the time of order, a 3% surcharge will be added.
2. Customers desiring trade credit must complete, sign and submit a credit application. The cost for processing the application is \$75 unless the customer submits a current Dun & Bradstreet report suitable for Alvarado's review requirements. The required information on the credit application includes your business bank, three current trade references, and ownership information.
3. Once we receive the completed credit application, AMC will contact the listed references and a credit report will be ordered and reviewed. It generally takes five working days to process the Credit Application. The process will take longer than five days if the information submitted is inaccurate or if the listed references do not respond promptly.
4. After the credit review, credit limits are established and the applicant is placed in one of five credit tiers (listed on next page). Our credit specialist will contact and inform the customer of our credit decision and review our credit policy and terms.
5. Generally, customers adhering to established terms can improve their credit tier and the amount of credit extended. Customers that do not adhere to established terms will be placed in a lower credit tier and available credit will be reduced or eliminated. Accounts are continually reviewed for adherence to credit terms and credit worthiness and Alvarado reserves the right to revoke credit at any time based on factors we deem relevant.
6. In case of a conflicting credit term between your Purchase Order and our Invoice and/or Acknowledgement, it is agreed that the credit terms on the Alvarado Invoice and Acknowledgement will be the correct and accepted terms.
7. The fact that you may not been paid, in part or in full, by your customer does not entitle you to withhold payment from Alvarado. You specifically agree you will pay Alvarado within the agreed terms, without regard to any provision in your purchase order, without regard to withholding or retainage fees you may be subject to, or without regard to the custom or practice in your industry.
8. The fact that you believe any provided Alvarado product is not working properly does not entitle you to withhold payment from Alvarado. We have been in business for over 50 years and we stand behind our warranty. We will honor our warranty terms. You must honor your payment terms.
9. We will not begin working on an order until payment is received and/or trade credit is established and the required deposit is received and verified.

10. Orders over \$25,000.00 USD require a 50% deposit, even if credit has been established, unless authorized by our Controller or President.
11. Alvarado's credit term limit is tiered depending on the customer, the size of the order(s), and the customer's payment history with Alvarado. The credit limit is \$25,000 and no customer account can exceed this amount without authorization from our Controller or President.
12. Accounts past due over 30 days will be incur a charge of 1.5% interest of the balance due, per month and product shipments will be suspended. Credit status will also be reviewed. If collection is required for any invoice, we agree to pay for all costs of collection, including attorneys fees', travel expenses and court and witness fees and costs.
13. Alvarado may be required to collect state and/or in some cases city and county taxes in certain jurisdictions. AMC is also required to collect sales tax on shipments made to the following states, CA, MI and NE, unless the customer has provided a Re-Sale Certificate/ Tax Exemption Number and we have a properly completed exception certificate in our possession that satisfies our internal requirements. Please include a current certificate with the Credit Application or you may send a valid copy by facsimile to (909) 590-9981.

CREDIT TIERS

- A. Net 30 days
- B. 25% payment in advance, 75% Net 30
- C. 50% payment in advance, 50% Net 30
- D. 75% payment in advance, 25% Net 30
- E. Payment in advance (P.I.A) - for Initial Orders and Foreign Accounts

OTHER ITEMS

- Alvarado reserves the right to require full or partial payment on any order at any time.
- Custom orders require full or partial payment before work will begin.
- Expedited freight charges must be paid in advance.
- The customer is responsible for all collection costs. These include, but are not limited to, collection agency fees, attorneys' fees, travel and witness expenses and court costs.
- Orders returned or cancelled are subject to a minimum 40% restocking fee. Custom orders cannot be cancelled.

On behalf of _____ I agree and accept the above terms.
 (Full Name of Customer)

My signature below indicates I have read both pages of the Alvarado Credit Policy and agree to abide by the terms and conditions stated therein.

Name: _____ Title: _____

Signature: _____ Date: _____



Alvarado Manufacturing Company, Inc.

12660 Colony Street, Chino, CA 91710 - (909) 591-8431
(800) 423-4143 FAX: (909) 628-1403 - alvaradomfg.com

CREDIT APPLICATION

BUSINESS NAME: _____

PHYSICAL ADDRESS: _____

BILLING ADDRESS: _____

TELEPHONE: (_____) _____ - _____ FACSIMILE: (_____) _____ - _____

E-MAIL: _____

BUSINESS ORGANIZATION: CORPORATION: _____ PARTNERSHIP: _____ INDIVIDUAL: _____

NAME OF PARENT CO. IF SUBSIDIARY: _____

HOME ADDRESS (IF INDIVIDUAL): _____

DATE STARTED: _____ DATE INCORPORATED: _____ STATE INCORPORATED IN: _____

SOC. SEC. or FED.ID#: _____ TYPE OF BUSINESS: _____

RESALE OR TAX EXEMPTION PERMIT#: _____

(PLEASE ATTACH RESALE CARD FOR: CA, MI, NE)

OFFICERS, PARTNERS OR INDIVIDUAL OWNERS

NAME: _____ TITLE: _____

NAME: _____ TITLE: _____

NAME: _____ TITLE: _____

BANK REFERENCE NAME: _____

TELEPHONE: (_____) _____ - _____ FACSIMILE: (_____) _____ - _____

ACCOUNT#: _____ CONTACT: _____

TRADE REFERENCES

NAME _____ ADDRESS _____

TELEPHONE: (_____) _____ - _____ FACSIMILE: (_____) _____ - _____

NAME _____ ADDRESS _____

TELEPHONE: (_____) _____ - _____ FACSIMILE: (_____) _____ - _____

NAME _____ ADDRESS _____

TELEPHONE: (_____) _____ - _____ FACSIMILE: (_____) _____ - _____

DATE: _____ FIRM NAME: _____

My signature below indicates I have read both pages 1 and 2 of the Alvarado Credit Policy and agree to abide by the terms and conditions therein.

SIGNED: _____ TITLE: _____