

**Open Account Agreement
& Credit Application**



3822 W. 1987 S.
Salt Lake City, Utah 84104 ph
801-9759411 fax 801-975-9394
Attn. Alice Kotter

Note: Until an account has been opened, all orders will be C.O.D.

Legal Business Name: _____ Billing Address: _____
Shipping Address: _____
Phone: _____
Fax: _____ Web: _____
Email: _____ # of Employees _____ Duns' No. _____
Principal Business Activity: _____ Year established: _____ At present location since: _____
Ownership: Corporation ___ Partnership ___ Proprietorship ___ LLC ___ Other ___
Are Purchase Orders Required? Yes ___ No ___ Purchasing Agent's Name: _____
Tax Resale No. _____ Federal I.D. No. _____ (Tax Exemption Certificate must be completed & attached)
Amount of credit requested: _____ Are you listed with Dun & Bradstreet: Yes ___ No ___

OWNERS AND/OR OFFICERS

Name _____	Name _____
Title _____	Title _____
Home Address _____	Home Address _____
Home Phone _____	Home Phone _____
Social Security _____	Social Security _____

BANK REFERENCE

Bank Name: _____ Address: _____
Phone: _____ Fax: _____
Contact: _____ Checking Account No. _____
Checking Account No. _____ Savings Account No. _____

TRADE REFERENCES – OPEN ACCOUNTS ONLY

Name: _____ Address: _____
City: _____ State: _____
Phone: _____ Fax: _____ Zip: _____
Account: _____ 2. Name: _____
Address: _____
City: _____ State: _____ Phone: _____
Fax: _____ Zip: _____ Account: _____

CREDIT CARD AUTHORIZATION

Until and unless credit terms are granted by IntegraCore under the TERMS AND CONDITIONS of this Agreement, I hereby authorize IntegraCore to charge the listed credit card below every 15 days (plus a 2% convenience charge) unless payment is previously received by check for amounts due IntegraCore. I further authorize IntegraCore to charge the credit card (plus 2% convenience) for any amounts more than 5 days overdue under the terms of this Open Account Agreement. I understand Credit Terms will not be established for amounts under \$2,000 and I authorize IntegraCore, in the event Credit Terms are not established (for any reason), to charge the listed credit card (plus 2% convenience) unless I pay COD with a check upon completion of work.

CC# _____ Exp Date _____ 3 Digit Code (on back of card) _____
Signature _____

The undersigned Authorizing Officer has read, understood and does hereby accept all TERMS AND CONDITIONS outlined on the reverse side hereof. If either a credit or C.O.D. account is opened, the said TERMS AND CONDITIONS shall be binding. _____

Printed Name and Title Date _____

Signature of Owner, Partner or Officer _____

This Section must be completed if applicant is a proprietorship, partnership, or corporation less than 3 years in business. The undersigned Individual Guarantor has read, understood and does hereby accept all TERMS AND CONDITIONS outlined on the reverse side hereof. If either a credit or COD account is opened, the said TERMS AND CONDITIONS shall be binding.

Signature of Guarantor _____ Date _____

Printed Name of Guarantor _____ Social Security Number _____

Home Address _____

ADDITIONAL FINANCIAL PACKAGE REQUIREMENTS

BETWEEN \$15,000- \$50,000	OVER \$50,000
Total commercial debt (including this agreement) less than \$50K	Total commercial debt (including this agreement) more than \$50K
Application 2 Months of Bank Statements on Business Personal Financial Statement on all Guarantors	1. Last two yearend balance sheets and income statements of the borrowers. 2. Last two years' tax returns on the client. 3. Current interim balance sheet and income statement on client. 4. Current personal financial statement on all individuals who own 20% or more of the client entity. 5. Last two years' tax returns (including K-1's) on all individuals who own 20% or more of the client entity. 6. 2 months of Bank Statements on Business

DEBT SCHEDULE

FINANCIAL INSTITUTION	LINE OR LOAN	COMMITMENT/BALANCE	MONTHLY PAYMENT

Applicant certifies that all credit and financial information submitted is true and correct and authorizes IntegraCore to investigate applicant's credit worthiness and disclose information and investigation results to IntegraCore's financial officers.

By: _____ Date: _____

Printed Name: _____

Title: _____

EXPECTED ANNUAL REVENUE	TERMS	ADVANCE/ARREARS	GROSS PROFIT	ANTICIPATED SPREAD
FULLFILLMENT:				
ASSEMBLY:				
SHIPPING:				
PROCUREMENT:				
PRODUCTION:				
CALL CENTER:				
MONTHLY MANAGEMENT FEE:				
ADDITIONAL FINANCIAL INFORMATION				
BRIEF DESCRIPTION OF BUSINESS				
MARKET TERRITORY				
ANY SEASONALITY IN REVENUES? IF SO WHAT ARE BUSIEST MONTHS? SLOWEST MONTHS?				
CUSTOMER CONCENTRATION >20% IF SO WHO:				
ESTIMATED GROWTH PLAN:				

TERMS AND CONDITIONS: The proprietorship, partnership or corporation ("Client") and each individual guarantor ("Guarantor") entering this Open Account Application – Open Account Agreement (or opening a C.O.D. account) (both hereinafter referred to as the "Agreement") with IntegraCore, Inc. do hereby agree with IntegraCore, Inc. ("IntegraCore") as follows:

- 1. DEFINITIONS:** Except where otherwise expressly stated in this Agreement, all terms herein employed shall have the same definition as set forth in the Uniform Commercial Code as adapted and presently effective in the State of Utah.
- 2. AGREEMENT BETWEEN MERCHANTS:** This Agreement shall be deemed an agreement between merchants as that term is defined by the Uniform Commercial Code of the State of Utah.
- 3. PURCHASE ORDERS:** Client agrees to provide a written purchase order for each order. All purchase orders will have Bill to / Ship to information, order date, due date / shipping date, cancellation date, description of product or service, quantity, unit price, extended totals, grand total for order, and an authorized signature. Receipt of a purchase order by IntegraCore is not acceptance thereof nor is IntegraCore bound to perform under any of the terms thereof. IntegraCore shall not be bound until the purchase order is accepted in writing by IntegraCore.
- 4. CANCELLATION OR ALTERATION OF PURCHASE ORDER:** Any cancellation or alteration must be delivered to IntegraCore in writing. Client agrees that if a purchase order is canceled, Client shall accept delivery of, and pay for, all work done by IntegraCore until notified of the said cancellation. Client also agrees that if an alteration changes the price of an original purchase order, purchase order totals may be changed to conform to the altered price.
- 5. DELIVERY AND FREIGHT:** All prices are F.O.B. Salt Lake City. Freight charges will be added to invoice totals. Delivery by IntegraCore to carrier shall constitute delivery to Client.
- 6. PAYMENT TERMS:** Unless otherwise agreed in writing, all amounts due to IntegraCore by Client are payable in full upon receipt of an invoice from IntegraCore. IntegraCore declines any Client payment terms included in Clients purchase order. IntegraCore specifically declines Client agent relationships and payments to IntegraCore will not be contingent on Client's receipt of payment. All payments made pursuant to this Agreement and any invoices hereunder shall be made to: IntegraCore, Inc. 3822 W. 1987 S. Salt Lake City, Utah 84104
- 7. FINANCE CHARGES:** Client agrees to pay according to the terms of this Agreement and each invoice. Finance charges of 1½% per month, may be charged on any invoice or fraction of it remaining unpaid after the due date specified on the invoice.
- 8. CREDIT LINE:** Client agrees not to exceed their approved credit line. Orders and charges in excess of the credit line will be handled on a C.O.D. basis.
- 9. LIEN AND SECURITY INTEREST:** IntegraCore shall have a lien on, and Client grants IntegraCore a security interest in, all products ordered by the Client, including Client's master tapes and all other items furnished by Client to IntegraCore, until all obligations of the Client to IntegraCore are paid in full. Client grants to IntegraCore the right to make and sell copies from Client's masters, or to sell any manufactured product and convert the same to cash, if default is not cured within 90 days of IntegraCore's notification to Client of default.
- 10. LIABILITY:** IntegraCore's liability is solely limited to replacement of defectively manufactured product. IntegraCore shall not be liable for any other claims, including, but not limited to: Damage or loss of Client master tapes, art work or text (Client is responsible for retaining an original copy of any and all materials delivered to IntegraCore by the Client); loss, damage, or shortages attributable to a commercial shipper; inclusion or exclusion of audio/video material; any defect attributable to Client's audio or video master; incorrect or inaccurate text; or, where PMS colors were not specified by the Client; defects associated with the use of Client's equipment; claims of damage or repairs to any electronic equipment; loss of business revenue or profit; interruption of business; or, costs incurred by a Client without IntegraCore's prior written approval.
- 11. RISK OF LOSS:** Risk of loss, injury, or destruction of the goods shall be borne by Client, and any such loss, injury, or destruction shall not release Client from any obligation under this Agreement. In the event a shipment or any part of it is received in damaged condition, the Client is responsible for filing a claim with the carrier.
- 12. SHORTAGES/NONCONFORMING GOODS:** Claims for shortages that are not attributable to a carrier, or for nonconforming goods, are to be reported in writing to IntegraCore's customer care department within 30 days after receipt of shipment or the claim will not be allowed and Client will be deemed to have waived such claim.
- 13. DEFECTIVE MANUFACTURED PRODUCTS:** IntegraCore warrants its products to be free of manufacturing defects. IntegraCore will not be liable for any other defects or damages, including but not limited to, product damaged in a Client's machine, by a carrier, or by the Client in any form or fashion. Any product alleged to have been defectively manufactured shall be returned to IntegraCore within a reasonable time after the discovery of the defect, and IntegraCore shall review and analyze the returned product to decide the actual defects and the cause of it. IntegraCore shall not be responsible for any returns that have not been defectively manufactured, and Client shall be responsible for obtaining the return of such product from IntegraCore. In cases where the product has been defectively manufactured, IntegraCore will, at its sole discretion, either issue a credit for the product and the original freight charge, or remanufacture the product and ship it to Client, with freight prepaid, using the same shipping method as used with the original order. Although Client may offer its customers a guaranteed sales program, or an option to return product for any reason or at any time, such offers are the sole responsibility of the Client. Client shall be solely responsible for all products returned under such offers or programs, except product determined by IntegraCore to be defectively manufactured under the above provisions.
- 14. WARRANTIES OF MATERIALS:** The terms "materials" as used herein shall include, without limitation, optical media, all video tapes, audio tapes, whether master tapes or duplicates, art work, all other film, whether negatives or positives, originals or intermediates, prints or separations, scripts, scores, and all sound tracks. Client warrants that it is the sole owner and/or has the right to possession and use of all materials delivered to IntegraCore by or on behalf of Client. Client further expressly warrants that the materials delivered to IntegraCore for duplication do not in any way libel, slander, defame, violate or invade the right of privacy of any person. Client further warrants that his use of the material and his delivery of it to IntegraCore for duplication do not infringe any copyright, patent, trademark or other proprietary right of any person, firm, or corporation. Client also expressly warrants that the materials delivered to IntegraCore are not obscene, and do not violate state or federal laws. IntegraCore shall be under no obligation to inspect any materials delivered to it by Client, nor make any inquiries regarding the same, and IntegraCore shall be entitled to rely on all representations and warranties made by Client herein. Client shall indemnify and hold IntegraCore harmless from all claims, liabilities, costs, attorney fees, and damages arising out of IntegraCore's disposition, publication, use, distribution, or exhibition of Client's materials.
- 15. INDEMNIFICATION:** Client shall indemnify and hold IntegraCore and its directors, officers, employees and agents harmless from all claims, liability, damages, costs and expenses of any nature whatsoever arising out of or in connection with the publication, processing, use, distribution, contents, or exhibition of product manufactured by IntegraCore from Client's materials, including without limitation any liability for libel, slander, defamation, invasion of privacy, or infringement of patent, copyright, trademark, or other proprietary right. Client further agrees to pay all costs and attorney's fees incurred by counsel, selected by IntegraCore, in defending IntegraCore against any such alleged liability.
- 16. RETURN OF MATERIALS:** IntegraCore at its option may, or on written demand of Client shall, when all outstanding obligations of Client to IntegraCore have been paid by Client, return Client's materials to Client at Client's expense. IntegraCore shall have no obligation to return to Client any materials still in IntegraCore's possession one year after the date of completion of Client's work/order.
- 17. WARRANTY OF MERCHANTABILITY/EXCLUSION OF OTHER WARRANTIES:** IntegraCore warrants that the goods manufactured for Client shall be merchantable within the meaning of the Uniform Commercial Code as adopted in the State of Utah. There are no other warranties, express or implied, including fitness for a particular use, except as specifically set forth herein.

- 18. QUOTATIONS:** All written quotations provided by IntegraCore shall be valid for thirty (30) days after submission to Client by IntegraCore. Verbal quotations are provided as a convenience and are not binding.
- 19. CLERICAL ERRORS:** Client and IntegraCore agree that clerical errors may be corrected at any point after they are discovered.
- 20. TAXES:** Client agrees to pay all applicable sales and use taxes on any products or services sold to Client by IntegraCore.
- 21. ASSIGNMENT:** IntegraCore, at its own election, may assign its rights under the terms and conditions of this Agreement to party without notification to Client. IntegraCore reserves the right to subcontract all or any part of the work ordered by the Client.
- 22. NOTICES/NOTIFICATION:** Any notices to Client by IntegraCore shall be deemed to have been duly given when deposited in the United States mail, postage prepaid, to Client at the address for Client shown in IntegraCore records.
- 23. SEVERABILITY:** If any clause of this Agreement is held unconscionable by any court of competent jurisdiction, the clause in question shall be modified to eliminate the unconscionable element and as so modified the clause shall be binding on the parties. If the clause cannot be so modified, it shall be deleted from this Agreement. The remaining provisions of the agreement shall not be affected by the modification or deletion of any unconscionable clause.
- 24. CREDIT APPROVAL:** This Agreement is not binding on IntegraCore until accepted by IntegraCore. Client and Guarantor do hereby waive notice of acceptance of this Agreement.
- 25. DEFAULT:** On default by Client, IntegraCore shall have the option of refusing to perform further under this and any other existing agreement between the parties that IntegraCore may elect, and IntegraCore may rescind any agreements between the parties and hold client liable for all damages and losses occasioned thereby; or of reselling, at public or private sale, undelivered goods covered by this and any other existing agreement between the parties that IntegraCore may elect. IntegraCore shall not be liable to Client for the difference between (1) the agreed price of the goods, plus all expenses and charges for the account of Client specified in this Agreement and all expenses of storage and resale, and (2) the resale price of the goods.
- 26. ATTORNEY FEES AND EXPENSES:** In the event of default the Client and Guarantor agree to pay any and all costs incurred by IntegraCore arising from the breach, including attorney fees and legal costs.
- 27. CREDIT CHECK:** Client and Guarantor(s) do hereby give consent and authorization to IntegraCore to obtain and/or review background and/or any consumer or commercial credit agency records, both personally and for the Client, and to contact any credit references contained herein for the purpose of establishing and maintaining credit with IntegraCore. IntegraCore will hold all such information confidential. Client and Guarantor agree to provide such additional financial data and/or documents that IntegraCore may reasonably feel are necessary. Both Client and Guarantor(s) hereby consent to IntegraCore's use of a non-business consumer credit report on Guarantor(s) in order to further evaluate the credit worthiness of Guarantor(s) as principal(s), member(s), partner(s), proprietor(s) and/or guarantor(s) in connection with the extension of business credit as contemplated by this Open Account Agreement. The Guarantor(s) do hereby authorize IntegraCore to utilize a consumer credit report on the Guarantor(s) from time to time in connection with the extension or continuation of the business credit represented by this Open Account Agreement. The Guarantor(s) as (an) individual(s) hereby knowingly consent to the use of such credit report consistent with the Federal Fair Credit Reporting Act as contained in 15 U.S.C. @ 1681 et seq. Both Client and Guarantor(s) agree to the release of credit information including the reporting of credit history to credit reporting agencies. These authorizations granted under Section 27 are continuing without expiration.
- 28. NOTICE.** 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 the law concerning this creditor is the Federal Trade Commission.
- 29. COMPLETE AGREEMENT/MODIFICATION:** This Agreement is the entire agreement between the parties and all negotiations, discussions, representations, and other communications between the parties are merged herein. No modification may be made hereto except in writing and signed by the parties hereto; provided, however, that IntegraCore may modify this Agreement with either the Client or the guarantor without the signature or consent of the other party, but such modification shall not be binding on the other party, except as otherwise provided herein.
- 30. RETURNED CHECKS:** For any returned check regardless of reason for return, Client agrees to pay a returned check charge of \$20.00.
- 31. PERSONAL GUARANTEE.** In consideration for IntegraCore extending credit to Client, Guarantor(s) hereby jointly and severally guarantee the prompt performance of the duties and obligations set forth in the above agreement and payment to IntegraCore, its successors, and assigns from Client and its related entities (hereinafter collectively referred to as Client), together with interest at the rate of 1½% per month, on all amounts not paid within 30 days after due date, both before and after judgment, all costs of collection, including fees of any collection agency, and attorney fees whether hourly or contingent, but not to be less than 20% of the amount due if contingent. Liability of the Guarantor(s) shall not be affected or prejudiced by the additional acceptance of a note or other evidence of indebtedness, the extension of time for payment, payment affecting said indebtedness, and the undersigned hereby waives notice of any or all of the aforesaid. The filing of suit or exhaustion of collection or legal remedies against Debtor shall not be a condition precedent to the enforcement of this guarantee and the Guarantor(s) hereby expressly waive(s) presentment for payment, demand, protest, notice of protest or diligence. This guarantee shall be a continuing guarantee.
- 32. REVOCATION:** This Agreement shall continue in full force and effect until revoked in writing as hereinafter set forth, and shall cover all indebtedness incurred pursuant to this Agreement. Client specifically understands that the account of the Client may, from time to time, be paid in full, and a new indebtedness subsequently created, and Client specifically agrees that this Agreement shall cover all such indebtedness. This Agreement shall be in effect until ten (10) days after the receipt by IntegraCore of a written notice, signed by an authorized officer of the Client, revoking this Agreement and such revocation shall apply only to indebtedness arising from purchase orders received by IntegraCore after this term (10) day period.
- 33. FORCE MAJEURE:** IntegraCore shall not be liable for any delay in delivery of, or failure to deliver, any or all of the products or services ordered by Client where the delay or failure is caused by labor troubles, strikes, lockouts, war, riots, insurrection, civil commotion, failure of supplies from ordinary sources, fire, flood, storm, accident, any act of God, or any other cause beyond the control of IntegraCore. Client shall not be liable for failure to take delivery of the goods purchased under this Agreement where any of the above causes prevent carrier of Client from accepting delivery on behalf of Client. But, in any case, the party claiming the benefit of this provision shall use due diligence to remove any such causes and to resume performance under this Agreement as soon as is feasible. Performance by the other party shall be suspended and excused during any such delay or failure.
- 34. JURISDICTION:** This Agreement shall be governed by the laws of the State of Utah. The Federal and state courts of the State of Utah shall have the exclusive jurisdiction of all disputes arising from this Agreement.

Initials: