



ALLEGION™

Application for Credit

Company Name		Phone		Fax	
Billing Address		Shipping Address			
City		State	County		Zip/Postal Code
Type of Ownership <input type="checkbox"/> Corporate Federal ID Number / Business Number _____ <input type="checkbox"/> Partnership <input type="checkbox"/> Proprietorship					
Ownership Structure:		Additional Owner		Additional Owner	
Majority Owner Name		Percentage		Number of years current ownership structure has been in place	
Percentage		Percentage		Percentage	
Estimated Annual Purchases					
Year One		Year Two			
\$ _____		\$ _____			
Financial Officer/Controller		Accounts Payable Supervisor		Estimated Credit Requested	
Email for Invoices		Fax for Invoices		\$	
Year Entity Was Formed		Parent Company			
Do you <input type="checkbox"/> Rent or <input type="checkbox"/> Own Is your business address also a personal residence? <input type="checkbox"/> Yes <input type="checkbox"/> No					
Note: Please attach copies of latest financial statements, W9, and tax exemption certificate(s) for all states to which orders will be shipped.					

Trade References:

Company Name		Email		Phone	
Address		City		State	Zip
Company Name		Email		Phone	
Address		City		State	Zip
Company Name		Email		Phone	
Address		City		State	Zip

Bank Reference & Release

Name of Bank		Contact/Telephone			
Address		City		State	Zip
Bank Contact Email		Loans			
		<input type="checkbox"/> Yes <input type="checkbox"/> No			
Line of Credit		Line of Credit Limit		Line of Credit Balance	
<input type="checkbox"/> Yes <input type="checkbox"/> No		\$		\$	

By signing this Credit Application, we hereby authorize the above-named bank and trade creditors to release credit information concerning our company and account shown above to be used exclusively for the purpose of credit evaluation and to determine credit and financial responsibility. All information given will be held confidential. Applicant(s) signature attests to the financial responsibility, ability, and willingness to pay invoices in accordance with terms of sale from date of Invoice. See schedule A attached hereto and incorporated herein by reference for credit terms and conditions and see current product price book, Allegion's Authorized Seller Program, and/or specific quotations issued by an Allegion entity or subsidiary thereof for additional terms and conditions applicable to the sale of products and/or services by an Allegion entity or a subsidiary thereof.

BY SIGNING BELOW, THE PERSON(S) EXECUTING THIS DOCUMENT ACKNOWLEDGES THEY HAVE READ OUR CREDIT AND APPLICABLE TERMS AND CONDITIONS OF SALE AND SERVICE NOTED ABOVE.

Signature (Officer/Owner)		Date	Signature (Officer/Owner)		Date
Printed Name		Title	Printed Name		Title

1. PAYMENT

- a. Any payment received from the buyer, whose signature appears on the credit application ("Buyer"), by an Allegion entity including, but not limited to, all of their brands, affiliates, and/or subsidiaries, etc ("Seller") may be applied by Seller against any obligation owing by Buyer to Seller, regardless of any statement appearing on or referring to such payment, without discharging Buyer's liability for any additional amounts owing by Buyer to Seller. The acceptance by Seller of such payment shall not constitute a waiver of Seller's right to pursue any remaining balance.
- b. On any invoice not paid when due, Buyer shall pay a late charge from the due date to the date of actual payment at the rate of 18% per annum (or such lower rate as may be the maximum permitted by law. In the event that Seller shall, inadvertently or otherwise, charge Buyer a higher rate than permitted by applicable law, Seller shall make such refund to Buyer as law requires, which refund shall constitute liquidated damages for such unlawful charges.). Should Buyer fail to make any payment required hereunder, Seller may, without notice, declare all obligations of Buyer to Seller ("Obligations") immediately due and payable, whether or not such late charges are included in any statement of account rendered by Seller to Buyer.
- c. Should any dispute arise with respect to any goods delivered by Seller to Buyer, Buyer shall nevertheless pay all invoices covering goods not in dispute, without setoff, defense or counter-claim. For any disputed invoice, a claim must be made as follows: (i) within thirty (30) days of the date of invoice for any claim regarding price; (ii) within ten (10) days of delivery for a claim regarding quantity or incorrect orders; or (iii) within thirty (30) days from the date of invoice for any claim for damage to deliverables while in the care, custody and control of Company. A claim will be deemed properly made when Seller issues a claim number to Buyer. Failure to file a claim pursuant to these terms shall result in Buyer's waiver and release of such claim.
- d. Buyer irrevocably agrees that it will not, without Seller's prior written consent in each instance, tender any payments for less than the full amount of the invoices to which said payment applies ("Partial Payments"). Any Partial Payments tendered by or for the account of Buyer shall not extinguish or otherwise affect any unpaid portion of the subject invoices, despite any notation on or accompanying said payment such as "in full payment", "in full satisfaction", or words of similar effect.
- e. In the event that either Buyer or Seller finds it necessary to retain counsel in connection with the negotiation, workout, extension, modification, enforcement, or collection of any contract between them, Buyer shall pay the attorney's fees and expenses of Seller.
- f. Buyer and agent (as defined below) represent that all checks issued to Seller will be honored by the drawee bank, and that no checks will be so issued unless Buyer then has funds on deposit in an amount sufficient to cover all checks issued by Buyer. Buyer, as will the Agent, acknowledges that this representation will be materially relied upon by Seller in extending credit to Buyer.
- g. Buyer agrees to reimburse Seller for all costs and expenses, including attorneys' fees, which Seller incurs in enforcing any judgment rendered in connection with this Agreement. This provision is severable from all other provisions hereof and shall survive, and not be deemed merged into, any such judgment.
- h. To secure payment for all purchases from Seller, now and in the future, Buyer hereby grants Seller continuing security interest in all of Buyer's presently owned or hereafter (a) goods, (b) instruments, (c) Chattel paper, (d) books and records, (e) accounts, (f) accounts receivable, (g) general intangibles, and (h) payment intangibles and together with all proceeds and all support obligations thereof. Buyer authorizes to file a financing statement, or applicable document based on the Seller location, describing the collateral.
- i. The following constitute Buyer defaults: Non-payment in a timely fashion of Buyer's indebtedness to Seller's bankruptcy, insolvency, or Assignment for the benefit of creditors; misrepresentation in respect of any provision of this or any Agreement between Seller and Buyer. In the event of default, Seller may declare all unpaid balances due.
- j. In the event Buyer is granted an early pay discount, such early pay discount is subject to termination at any time by Seller in its sole discretion. Further, for purposes of this Agreement, "early pay discount" shall mean that Seller receives the payment in Seller's designated bank account on or before the early pay discount due date established by Seller. Seller shall have all rights to recover discounts taken that are not paid according to these terms.
- k. Buyer is responsible for providing Seller with any applicable valid and accurate tax certificate(s) in advance of each order shipment date for each state where shipment is to be made per the applicable purchase order. Failure to provide such tax certificate(s) in advance of shipment will result in Seller applying any assessed tax to the invoice for which Buyer will be solely liable for payment in accordance with Buyer's required pay terms.

2. SALE OF BUSINESS

In the event that the Buyer sells all or a substantial portion of its assets to another entity (the "Successor") under circumstances in which the business then conducted by Buyer is or may be continued by the Successor, Buyer shall give Seller thirty days written notice thereof. In the event that Buyer does not provide such notice to Seller, Buyer shall be liable for and shall pay on demand the amount of all accounts receivable due by Successor to Seller arising from the date of such sale of assets to the date Seller learns of such asset sale.

3. BUYER'S RECEIPT OF GOODS WHILE INSOLVENT

In the event that Buyer receives any goods from Seller while Buyer is insolvent (as such terms is used in §2-702 of the Uniform Commercial Code in the U.S. and as such term is used in the Bankruptcy and Insolvency Act (R.S.C., 1985, c. B-3) in Canada), this writing and the invoices received from us relating to such goods shall constitute Seller's demand for reclamation of such goods.

4. WITHDRAWAL OF CREDIT APPROVAL

Seller reserves the right before shipment of any goods ordered by Buyer from Seller, to require that all or a portion of the purchase price relating thereto be paid to Seller, in good funds, prior to shipment.

5. MATERIAL ADVERSE CHANGE IN BUYER'S FINANCIAL CONDITION

Notwithstanding the stated due date of any obligations, all Obligations shall become immediately due and payable, without notice, in the event that Seller determines there to have been a material adverse change in the financial condition or business affairs of the Buyer so that in Seller's reasonable judgment Buyer's ability to pay the Obligations has become impaired.

6. CLAIMS AGAINST ASSIGNEE

- a. Buyer agrees that it will not assert against any assignee of the accounts (the "Assignee") owed by it to Seller any claim or defense which Buyer may have against the Seller arising out of the transactions which are the subject of said accounts.
- b. All rights of Seller shall inure to the benefit of the Assignee.

7. GRANTING OF SECURITY

As collateral securing all Obligations, Buyer grants to Seller a continuing security interest in all property of Buyer now or hereafter in the possession of the Seller (including goods purchased from Seller but not delivered, whether or not paid for by Buyer) as collateral securing the Obligations.

8. VERIFICATION OF CREDIT REFERENCES

Seller is authorized to contact any credit references provided by Buyer, and to disclose any information reasonably necessary to determine Buyer's credit worthiness. Seller may also disclose any information concerning its relationship with Buyer which is requested by anyone identifying themselves as an existing or potential creditor of Buyer.

9. OBLIGATIONS OF AGENT AND BUYER; GUARANTEE BY AGENT

By signing the credit application, the agent executing this writing on behalf of the Buyer (the "Agent") acknowledges in an individual (not representative) capacity that:

- a. On behalf of the Buyer, it has read and agrees to be bound by these terms and conditions, and they will govern and apply to all transactions between Buyer and Seller, unless specifically modified by a writing signed by Seller;
- b. All statements set forth herein are true and correct, to the best of the knowledge of the Agent and the Buyer, and such statements will be materially relied upon by Seller in extending credit to the Buyer; and
- c. **TO INDUCE SELLER TO SELL GOODS TO BUYER, AGENT PERSONALLY GUARANTEES AND AGREES TO PAY ON DEMAND ALL OBLIGATIONS NOW OR HEREAFTER OWING BY BUYER TO SELLER.**
- d. Buyer shall provide Seller with year-end financial statements annually or when requested by Seller to determine credit worthiness.

10. EQUAL CREDIT OPPORTUNITY ACT NOTICE (U.S. Only)

The Federal Equal Credit Opportunity Act prohibits creditors from discrimination against credit applicants on the basis of race, color, religion, national origin, sex, marital status, or age (provided that the applicant has the capacity to enter into a binding contract); because of all or part of the applicant's income derives from any public assistance programs; or because the applicant has in good faith exercised any right under the Consumer Protection Act. The federal agency that administers compliance with this law concerning the creditor is the Federal Trade Commission, Washington, D.C.

11. DISCLOSURE OF APPLICANT'S RIGHT TO A STATEMENT OF SPECIFIC REASONS FOR ACTION

If this application is not approved in full or if any other adverse action is taken with respect to Applicant's credit, Applicant has the right to request within 60 days of Creditor's notification of such adverse action, a statement of specific reasons for such action, which statement will be provided within 30 days of said request.