KASA SUPPLY LTD.

PLUMBING | HVAC | WATERWORKS | INDUSTRIAL

CREDIT APPLICATION AND AGREEMENT (this "Agreement") **DATE:** ______________________________

COMPANY NAME (the "**Company**"):			
STREET ADDRESS:			
P.O. BOX:	CITY:	PROVINCE:	POSTAL CODE:
TELEPHONE:	CELLULAR:	EMAIL:	
DATE BUSINESS STARTED:		ANNUAL SALES: $	
PURCHASE ORDER: YES ☐ NO ☐	AUTHORIZED PURCHASERS: 1)		2)
ACCOUNTS PAYABLE CONTACT:			CREDIT REQUESTED: $

TRADE REFERENCES

1)	NAME:	PHONE:	EMAIL:
2)	NAME:	PHONE:	EMAIL:
3)	NAME:	PHONE:	EMAIL:
4)	BANK REF:	PHONE:	EMAIL:

TO: KASA SUPPLY LTD. (hereinafter referred to as the "**Supplier**")

The Company hereby applies for a credit account with the Supplier and in consideration of the Supplier providing such credit account to the Company, the Company agrees to the following terms:

1.The Company grants to the Supplier, the Supplier's subsidiaries and affiliates, and credit reporting agencies – including but not limited to Equifax Canada and TransUnion - consent to the collection, use, and disclosure of such personal information as appropriate for normal and reasonable business requirements within the purposes of the British Columbia *Personal Information Protection Act*, including but not limited to disclosure of the Company's credit information. The Company further authorizes the Supplier and/or its agents to obtain credit information from credit reporting agencies and other financial institutions, including but not limited to the Company's bank(s), and authorizes them to disclose to the Supplier such credit information that may be necessary for the Company to establish and maintain a credit account with the Supplier.

2.The Company agrees to pay its account in full within 30 days of the date of any invoice or statement of account issued by the Supplier to the Company, such payment to be made via credit card or cheque or such other method approved in writing by the Supplier. The Company will deliver or mail any cheques for payment of its account to the Supplier's head office, at the following address: **13237 King George Boulevard, Surrey, BC V3T 2T3.**

3.Notwithstanding any provision to the contrary hereunder, the receipt of any cheque will not constitute payment of any amount until the cheque has "cleared", meaning that the financial institution has processed the payment and the Supplier has received the funds in full.

4.Any portion of any fee or amount payable by the Company to the Supplier that is not paid by the Company when due will accrue compound interest at the rate of TWO percent (2%) per month (an equivalent rate of 26.8% per annum) or the maximum rate permitted by applicable law, whichever is less, from the due date until paid in full.

5.The Company will indemnify and hold harmless the Supplier from and against any and all claims, liabilities, damages, losses, costs, and expenses (collectively the "**Expenses**") arising out of or related to the Company's failure to pay to the Supplier any portion of any fee or amount payable to the Supplier when due. The Expenses include but are not limited to all reasonable legal fees, on a solicitor-client basis, incurred by the Supplier in connection with enforcing, collecting, or attempting to collect any payment(s) due to the Supplier from the Company. The indemnity in section 5 of this Agreement shall survive the termination or expiry of this Agreement.

6.On approval of credit, a credit limit (the "**Credit Limit**") will be established by the Supplier and the Supplier will have no obligation to extend credit to the Company beyond the Credit Limit.

7.Neither a failure nor a delay on the part of the Supplier in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall a single or partial exercise thereof preclude any other or further exercise of any right, power or privilege of the Supplier. The rights, remedies and benefits of the Supplier herein expressly specified are cumulative and not exclusive of any other rights, remedies or benefits which the Supplier may have at law, in equity, by statute or otherwise.

8.The Company's credit privileges hereunder will be immediately terminated without notice to the Company if the Company makes payment to the Supplier with any cheque(s) that cannot be cashed due to non-sufficient funds (an "**NSF Cheque**"). Credit privileges will be withheld until the Company makes arrangements satisfactory to the Supplier for full payment of any outstanding balance owed by the Company to the Supplier. The Company will immediately pay to the Supplier an administrative service fee of $150 for each such NSF Cheque in addition to any late payment penalties, accrued interest, or bank fees incurred by the Supplier, and the Supplier may – in its sole discretion – require all future payments from the Company to be made in certified funds.

9.The Company's credit privileges hereunder may be immediately terminated if the Company fails to pay any fee or amount payable to the Supplier by the date that such payment is due.

10.Unless otherwise expressly authorized in writing by the Supplier, all payments received from the Company shall be applied chronologically, beginning with the oldest outstanding invoices, fees, or charges. Any partial payment received will first be applied to settle the earliest unpaid balance in full before being applied to more recently accrued amounts.

11.Goods may only be returned for credit with the Supplier's written approval and all such goods must be in original condition and packaging and are subject to a minimum restocking fee of 25% of the total product value. *Cartage "outbound" or "inbound" on goods returned, as well as special-ordered items, is not refundable.*

12.The Company has read and understood the terms of this Agreement and agrees to abide by the same.

IN WITNESS WHEREOF the Company has executed this Agreement as of the date first written above.

COMPANY NAME: ______________________________

Per: ______________________________

NAME/POSITION: ______________________________

I am authorized to bind this corporation.

KASA SUPPLY LTD.
PLUMBING | HVAC | WATERWORKS | INDUSTRIAL

GUARANTEE
(this "**Guarantee**")

1. In consideration of KASA SUPPLY LTD. (hereinafter referred to as the "**Supplier**"), supplying goods and extending credit or continuing to extend credit from time to time to:

____ (the "**Customer**"), a company incorporated under the laws of the Province of British Columbia and having a registered and records office at

____,

I, ____ (the "**Guarantor**"), having a residential address at

____,HEREBY GUARANTEE the Supplier the due and regular payment of all the monies the Customer owes or at any time and from time-to-time hereafter might owe the Supplier for goods supplied by the Supplier to the Customer, or for any other reason including but not limited to any monies owed by the Customer to the Supplier pursuant to the Credit Application and Agreement (the "**Agreement**") signed by the Customer on (date) to establish a credit account with the Supplier.

2. The Guarantor waives notice of acceptance of this Guarantee by the Supplier.
3. The Guarantor authorizes the Supplier to extend any amount of credit to the Customer from time to time, to extend the period of credit, to hold over or to renew any of the Customer's bills, notes or other securities the Supplier may at any time hold, to increase or reduce the rate of interest on any such indebtedness, to grant to the Customer any other indulgence, to compound or otherwise compromise with the Customer as the Supplier may decide, or to add or release any one or more guarantors without notice to the Guarantor and without discharging or in any way affecting the liability of the Guarantor therein.
4. This is a continuing guarantee to cover the total liability of the Customer to the Supplier and remains in force until revoked by notice (the "**Revocation Notice**") in writing signed by the Guarantor and proved received by the Supplier, but such revocation does NOT release the Guarantor from any liability in respect of the debts incurred by the Customer before the date of such revocation (the "**Revocation Date**"). Notwithstanding any provision to the contrary and for the sake of clarity:

    a) The Revocation Date will be the date on which the Supplier actually receives the Revocation Notice; and
    b) The Guarantor will guarantee and remain liable for any and all monies owed by the Customer to the Supplier prior to the Revocation Date.

5. This is an absolute Guarantee of payment, and the Supplier may have recourse against the Guarantor without notice of default by the Customer and without first exhausting its other remedies. The Guarantor hereby absolutely, irrevocably, and unconditionally guarantees, as primary obligor and not merely as a surety, the full and punctual payment and performance of all obligations under this Guarantee. The Guarantor's liability hereunder shall be direct and independent, and shall not be released, discharged, or impaired by any circumstance whatsoever, including without limitation:

    a) any modification, amendment, or extension of the Agreement;
    b) any lack of validity, legality, or enforceability of the Agreement;
    c) any bankruptcy, insolvency, or reorganization of the Customer; or
    d) any defenses, set-offs, or counterclaims that the Customer may assert against the Supplier.

6. All debts and claims that the Guarantor may at any time have against the Customer are postponed to the claims of the Supplier, and all the monies the Guarantor may from time to time receive from the Customer shall be held for the account of and paid over to the Supplier to the extent that the Guarantor may lawfully do so.

7. Until all indebtedness hereby guaranteed has been paid in full, the Guarantor has no right of subrogation unless expressly granted in writing by the Supplier.

8. Any notice of demand ("**Notice of Demand**") given by the Supplier to the Guarantor or the Customer may be served personally or be sent by ordinary mail addressed to the Guarantor or the Customer at the address last known to the Supplier and any notice so served or mailed shall be deemed to have been received by the Customer or the Guarantor when delivered, if personally served, or two days after being mailed in any post office box in Canada.

9. The Guarantor will make full payment of any monies due to the Supplier, as specified in any Notice of Demand from the Supplied, within ten (10) business days of receiving the Notice of Demand. Any portion of any fee or amount payable by the Guarantor to the Supplier that is not paid by the Guarantor when due will accrue compound interest at the rate of TWO percent (2%) per month (an equivalent rate of 26.8% per annum) or the maximum rate permitted by applicable law, whichever is less, from the due date until paid in full.

10. The Guarantor will indemnify and hold harmless the Supplier from and against any and all claims, liabilities, damages, losses, costs, and expenses (collectively the "**Expenses**") arising out of or related to the Guarantor's failure to pay to the Supplier any portion of any fee or amount payable to the Supplier when due. The Expenses include but are not limited to all reasonable legal fees, on a solicitor-client basis, incurred by the Supplier in connection with enforcing, collecting, or attempting to collect any payment(s) due to the Supplier from the Company and/or the

Guarantor. The indemnity in section 10 of this Guarantee shall survive the termination or expiry of this Guarantee and the Agreement.

11.For clarity, this Guarantee shall be valid notwithstanding any change or changes in the name of the Customer, organization of the Customer, shareholders of the Customer, and/or directors of the Customer.

12.This Guarantee binds the undersigned Guarantor and its successors and assigns and, where the Guarantor is a natural person, the heirs, executors, administrators, and assigns of the Guarantor.

13.This Guarantee ensures to the benefit of the Supplier, its successors and assigns.

14.To the extent that any other party or parties (the "**Other Guarantors**") have provided guarantees to the Supplier with respect to the obligations of the Customer to the Supplier, the Guarantor acknowledges and agrees that the Guarantor shall be jointly and severally liable with the Other Guarantors for any and all obligations of the Customer to the Supplier, including but not limited to monies owed by the Customer to the Supplier under the Agreement.

15.Neither a failure nor a delay on the part of the Supplier in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall a single or partial exercise thereof preclude any other or further exercise of any right, power or privilege of the Supplier. The rights, remedies and benefits of the Supplier herein expressly specified are cumulative and not exclusive of any other rights, remedies or benefits which the Supplier may have at law, in equity, by statute or otherwise.

16.Should any provision of this Guarantee and/or the Agreement be determined to be void, invalid, unenforceable or illegal for whatever reason, the validity, legality and enforceability of the remaining provisions of this Guarantee and the Agreement shall not in any way be affected or impaired thereby and such provision shall be ineffective only to the extent of such invalidity, illegality or unenforceability.

17.The Guarantor acknowledges that the Guarantor has been afforded the opportunity to obtain independent legal advice and confirms by the execution and delivery of this Guarantee that the Guarantor has either done so or waived the right to do so in connection with the entering into of this Guarantee.

IN WITNESS WHEREOF, this Guarantee has been duly executed at the City/Municipality of
_____________________________, in the Province of British Columbia this____day of__________,20_____.

SIGNED, SEALED and DELIVERED in the presence of: ____ Witness Name:____ Address:____ ____ Tel:____	 ____ **[NAME OF GUARANTOR]**