



APPLICATION AND AGREEMENT FOR BUSINESS CREDIT

For the purpose of inducing RED MOUNTAIN MACHINERY COMPANY, an Arizona corporation ("RED MOUNTAIN") to extend business credit for the purchase and/or lease of goods and services, including but not limited to parts, equipment, repairs, hauling and freight charges, Applicant makes the following statements, warranting that all information is complete, true, and correct, and intending that RED MOUNTAIN rely upon the same.

DATE _____

APPLICANT NAME _____ ("CUSTOMER") Federal Tax ID# _____
[] Corporation [] Partnership [] LLC [] Limited Partnership [] Sole Proprietor [] Other _____

Street Address _____ Suite No. _____ City _____
State _____ Zip Code _____ PHONE () _____ FAX () _____ Mobile () _____

Billing Address _____ P.O. Box _____ City _____ State _____
Zip Code _____ Type of business _____ Date started _____ E-mail address _____

PERSONAL INFORMATION ON OWNER/PRINCIPALS/GUARANTORS: attach additional sheets, if necessary.

Name _____ Title _____ Birth date _____ Soc. Sec. # _____
Home Address _____ Phone _____ Spouse's Name _____

Name _____ Title _____ Birth date _____ Soc. Sec. # _____
Home Address _____ Phone _____ Spouse's Name _____

ADDITIONAL BUSINESS INFORMATION: Contractor's License No. _____ Qualifying Party _____
Address _____

Other Licenses/States _____ Minimum credit requested \$ _____ Do you use a purchase order system? YES NO

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CONTINUING PERSONAL GUARANTY

In consideration of the extension of business credit for goods and services obtained by the above designated Applicant from RED MOUNTAIN, and as an inducement to make such extension, the undersigned jointly, severally, irrevocably and unconditionally agree(s) to (1) the terms and conditions set forth in this agreement, which are hereby fully incorporated herein by this reference; and (2) guarantee(s) the payment of any and all indebtedness, including advances, debts, obligations, and liabilities now existing or hereafter made or incurred, together with such costs and expenses, including reasonable attorney's fees, as may be incurred by RED MOUNTAIN in the enforcement of this Guaranty, whether or not suit is commenced. The undersigned further indemnify(ies) and holds harmless RED MOUNTAIN from any loss, damage, and/or expense caused by or arising out of default of or failure to pay by CUSTOMER. This continuing guaranty shall not be revoked except by written notice to RED MOUNTAIN requesting that RED MOUNTAIN not make any further sales and deliveries on the security of this Guaranty and until the expiration of five (5) days after such notice shall have been received by RED MOUNTAIN by registered mail, return receipt requested. Any revocation shall be effective only with respect to merchandise shipped or delivered after the expiration of said five-day period, and shall not affect in any respect liability incurred by the undersigned prior to that time.

The undersigned, and each of them, agree(s) to be bound by all terms and conditions contained in this Credit Agreement and in the invoices issued hereunder which are incorporated by this reference as though fully set forth in full.

Guarantor _____ Print Name _____ Soc. Sec.# _____

Guarantor's spouse _____ Print Name _____ Soc. Sec.# _____

Residence Address _____ Home Phone: _____

Guarantor _____ Print Name _____ Soc. Sec.# _____

Guarantor's spouse _____ Print Name _____ Soc. Sec.# _____

Residence Address _____ Home Phone _____

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Has the business or any principal ever filed for bankruptcy protection? YES NO IF YES, DATE FILED: _____

Does the business or any principal have any outstanding liens or judgments against it/them? YES NO

If yes, list in detail _____

Bonding Company _____ Contact name _____ Phone _____

Insurance Company _____ Contact Name _____ Phone _____

Bank Name _____ Address _____

Account Number _____ Contact _____ Phone _____

Bank Name _____ Address _____

Account Number _____ Contact _____ Phone _____

Trade Reference _____ Phone _____ Fax/e-mail _____

Trade Reference _____ Phone _____ Fax/e-mail _____

Trade Reference _____ Phone _____ Fax/e-mail _____

PLEASE ATTACH A CURRENT FINANCIAL STATEMENT TO THIS APPLICATION. ALL FINANCIAL INFORMATION WILL BE KEPT CONFIDENTIAL, SUBJECT TO THE TERMS STATED IN THIS AGREEMENT.

Applicant, its guarantors, agents and sureties (hereinafter collectively referred to as "CUSTOMER") acknowledge that in the event this Application and Agreement for Business Credit is accepted and approved by RED MOUNTAIN, a credit account will be opened in the name of Applicant. CUSTOMER agrees to the terms and conditions set forth below in consideration of the opening of a credit account by RED MOUNTAIN, and CUSTOMER hereby attests to its financial responsibility and ability to pay all of RED MOUNTAIN'S invoices in accordance herewith.

1. THE OPEN CREDIT ACCOUNT: The amount of credit extended to CUSTOMER will be determined by RED MOUNTAIN and may vary from time to time. CUSTOMER waives notice of any change in CUSTOMER'S credit limit.
2. OPEN ACCOUNT PAYMENT TERMS: CUSTOMER agrees to pay for goods, services, leases and other items charged to its open account upon receipt of each invoice therefor. Payment is late if not received by RED MOUNTAIN within 30 (thirty) days of date of invoice. The condition precedent to the application of credits issued by RED MOUNTAIN, if any, is actual payment of the remaining charges. Failure to pay the remaining charges within sixty (60) days of the invoice date shall render any and all credits (except credit for cash payment) null and void.
3. OTHER AGREEMENTS: CUSTOMER agrees to be bound by the terms and conditions of each underlying sale, lease or Master Rental Agreement, or other written agreement with RED MOUNTAIN that is intended to be incorporated herein by this reference and construed in conjunction herewith. This Agreement, along with any and all other invoices, sale, lease, or Master Rental Agreements or other written agreements shall constitute the entire agreement between CUSTOMER and RED MOUNTAIN.
4. DEFAULT: Failure to make timely payment as provided in paragraph 2 above shall result in all charges on the account being deemed past due. All past due sums shall bear a service charge of 1½% per month until paid in full. In addition, CUSTOMER agrees to reimburse and pay RED MOUNTAIN for all expenses, costs, and reasonable attorneys' fees (including in-house counsel fees), which shall include all costs that would normally be passed through to the client, specifically but not limited to research charges, travel costs, expert witness costs, copying costs, mailing costs, facsimile costs, hand-delivery costs, Federal Express or Express Mail costs, taxable costs and disbursements incurred or expended by RED MOUNTAIN in enforcing any of its rights hereunder and/or collecting any past due sums, whether or not suit is commenced.
5. INDEMNITY: CUSTOMER shall indemnify and hold RED MOUNTAIN harmless from any and all liability, claims, loss, damages or expenses, including without limitation counsel fees and costs, arising by reason of the death or injury of any person, or by reason of the damage or destruction of any property, caused by, allegedly caused by or related to the use or operation of any goods, machinery, parts, tools or services sold, leased or delivered by RED MOUNTAIN. RED MOUNTAIN MAKES NO WARRANTIES, EITHER EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, EXCEPT AS MAY BE CONTAINED IN A SEPARATE WRITING SIGNED BY AN AUTHORIZED AGENT OF RED MOUNTAIN, INCLUDING WITHOUT LIMITATION THE CONDITION OF THE EQUIPMENT, ITS MERCHANTABILITY, OR ITS FITNESS FOR ANY PARTICULAR PURPOSE. OPERATOR TRAINING IS THE CUSTOMER'S RESPONSIBILITY.
6. PURCHASE ORDERS: Issuance of a purchase order by CUSTOMER shall be deemed an acceptance of RED MOUNTAIN'S terms and conditions contained herein and

- any other Agreements pursuant to Paragraph 3, above, notwithstanding anything to the contrary in CUSTOMER'S purchase order documents.
7. NON-WAIVER: Nothing contained herein shall be construed as an obligation to extend credit to CUSTOMER under any circumstances without approval of extension of credit by RED MOUNTAIN as provided in paragraph 1, above. No waiver or modification hereof shall be valid unless expressed in writing and executed by CUSTOMER and an officer of RED MOUNTAIN.
8. ASSIGNMENT: No right or interest in this agreement shall be assigned by CUSTOMER without the written permission of RED MOUNTAIN.
9. CHANGE OF TERMS: The terms and conditions of CUSTOMER'S accounts, including late charges, may be changed by RED MOUNTAIN at any time, without written notice to CUSTOMER.
10. DAMAGES: In no event shall CUSTOMER, or any person claiming by, through or under CUSTOMER, have the right to claim or recover consequential damages, including but not limited to, loss of efficiency or delay, or damages for delay to any project on which the equipment is used or ordered or intended for use.
11. AUTHORITY: Any and all contracts, certificates, invoices and other writings signed on behalf of CUSTOMER by any employee of CUSTOMER shall be deemed to have been executed on behalf of CUSTOMER with full authority.
12. TERMINATION: If CUSTOMER becomes insolvent during the period covered by any agreement with RED MOUNTAIN, or if CUSTOMER breaches any term or condition herein, or in any invoice or other writing between RED MOUNTAIN and CUSTOMER, or if for any reason RED MOUNTAIN deems itself insecure, RED MOUNTAIN may in its sole discretion terminate the agreement and close the credit account immediately.
13. LEGAL ADVICE: CUSTOMER acknowledges that it has had the opportunity to receive independent legal advice from its attorneys with respect to the advisability of entering into this Agreement, and with respect to the advisability of executing this Agreement on behalf of CUSTOMER possesses the power and authority to do so and thereby binds CUSTOMER.
14. DUTY TO MITIGATE: CUSTOMER hereby agrees and undertakes to protect, defend, indemnify and save entirely harmless RED MOUNTAIN from any and all claims, demands, liens, costs, expenses, damages, liabilities, or suits, including, but not limited to, the expenses and attorneys' fees related thereto, arising from or pertaining to the ownership, use, leasing, delivery, operation, return or disposition of any Equipment leased, rented, sold, or otherwise provided to CUSTOMER. The provisions of this paragraph shall survive the expiration or termination of this Agreement.

DATE: _____

SIGNED: _____

Please mail executed original to:
Red Mountain Machinery Company
197 E. Warner Road
Chandler, AZ 85225

PRINT NAME: _____ TITLE: _____