

CREDIT PARAMETERS AND COLLECTION PROCEDURES

**DOUGLASS DISTRIBUTING COMPANY
325 E FOREST AVENUE
SHERMAN, TX 75090
Phone: (903) 893-1181
Fax: (903) 892-8783**

CREDIT PARAMETERS

The Company will deliver products and provide services to customers on credit if their credit application is approved. The following procedures will be followed:

- All customers will complete a Credit Application. This application must include:
 - Name and/ or Name of Company
 - Current street address for shipping and mailing address for statements
 - Business phone number, (fax included)
 - Federal ID Number (or) Social Security Number of principal
 - Driver's License Number & State of Issuance
 - Date of Birth
 - E-mail Address (if available)
 - A minimum of three (3) credit references with contact information (including fax number)
 - **Accounts Payable contact with phone number**
 - Requested credit limit
 - A list of officers

All pages must be completed (if applicable), and signed by an officer of the company (if a business). Incomplete applications will be returned to the customer for completion.

Payment terms will be net 7, net 10, or net 20 days from delivery date or invoice date according to the type of account requested. Types of accounts include residential, commercial wholesale, and retail products. Credit Limits will be established based on credit history.

Irrevocable Letters of Credit or collateral may be required based on the credit limits and credit reports.

If credit is not approved, a "denial of credit" letter will be sent to the customer sales representative. The customer can appeal by contacting the Credit Manager.

Credit Limits and terms will be reviewed periodically by the Credit Manager and adjusted as necessary.

Payments may be made by mail (to the PO Box at the left) or in person at our office location at 325 E. Forest Avenue, Sherman, TX 75090.

Douglass Distributing Company
PO Box 2926
Sherman, TX 75091

Accounts Receivable Inquiries and Electronic Funds Transfer Inquiries:

Gail McKinney
903-813-5149 (Phone)
903-891-1277 (Fax)
gailm@douglassdist.com

Finance Charges

Finance Charges of 1.5% per month, which is an annual percentage rate of 18%, will be added to the balances not paid within the specified terms for the customer.

Returned Check Fee

A fee of \$30.00 will be added to a customer's account for each returned check. A fee of \$100.00 will be charged for each returned draft. After two (2) returned checks are received, the only method of payment available to the customer will be cash or cashier's check.

Invoice Fee

A fee of \$5.00 may be charged to a customer's account if multiple invoice copies are requested.

COLLECTION PROCEDURES

If an account becomes past due it may be placed on "Credit Hold" from any more deliveries until payment is received. To re-activate a past due account, payment arrangements and further deliveries must be approved by the Credit Manager.

Please direct any questions regarding these guidelines or the issuance of credit to the Douglass Distributing Credit Manager:

Ed Reid
Credit Manager
903-813-5175 (Phone)
903-891-1268 (Fax)
edr@douglassdist.com