

# Ellis Equipment Co, Inc.

Distributor – Western USA  
701 South Main, Logan Utah 84321  
Phone 800-949-2336  
Fax 435-752-4384  
Email contact@ellisequipment.com

# DEALER APPLICATION

## DEALERSHIP

Legal Name (Dealer) \_\_\_\_\_  
Doing Business As \_\_\_\_\_ Proprietorship \_\_\_ Corporation \_\_\_ Partnership \_\_\_  
Street Address \_\_\_\_\_  
Mailing Address \_\_\_\_\_  
Other Ship-to Addresses \_\_\_\_\_  
Phone \_\_\_\_\_ Fax \_\_\_\_\_ Email \_\_\_\_\_  
Federal Tax ID or Soc Sec No \_\_\_\_\_ Sales Tax Permit \_\_\_\_\_  
Years Using Business Name \_\_\_\_\_ Years at Present Location \_\_\_\_\_  
Land at Dealership, Acres \_\_\_\_\_ Land Owned By \_\_\_\_\_  
Total Assets \$ \_\_\_\_\_ Total Liabilities \$ \_\_\_\_\_ Sales/Year \$ \_\_\_\_\_  
Bank \_\_\_\_\_ Contact \_\_\_\_\_ City, State \_\_\_\_\_

## PEOPLE

Owners \_\_\_\_\_  
General Manager \_\_\_\_\_ Sales Manager \_\_\_\_\_  
Parts Manager \_\_\_\_\_ Accounts Manager \_\_\_\_\_  
Service Manager \_\_\_\_\_ Total Number of Employees \_\_\_\_\_

## SALES PROFILE

Tractor or Major Lines Sold \_\_\_\_\_  
Other Lines Sold \_\_\_\_\_  
Other Distributor Accounts \_\_\_\_\_  
Equipment Markets Served (hay, dairy, construction etc.) \_\_\_\_\_  
ELLIS Lines Interested In \_\_\_\_\_

## SALES AND SECURITY AGREEMENT

### CONDITIONS OF SALE

This Agreement applies to all goods and services ordered or received by the above-named Dealer from Ellis Equipment Co., Inc. (Distributor), prior to this agreement and hereafter. Dealer has no obligation to order goods from Distributor or to maintain a stock of parts or whole machines or attachments. Distributor has no obligation to accept Dealer's orders, nor to make shipments or extend credit to Dealer. Dealer agrees to accept delivery of all goods ordered by Dealer, and to pay for such goods, including freight, assembly and associated charges, when due. Dealer will pay for any freight-damaged goods on which Dealer fails to make a timely and sufficient claim. Dealer's obligations under this Agreement are payable to Distributor at Logan Utah. Distributor may make credit

inquiries of Dealer's suppliers and creditors listed above. This Agreement may not be assigned by Dealer.

### PRICES AND TERMS

Dealer's purchases are subject to Distributor's printed list prices, discounts and terms, as modified from time to time, which are incorporated by reference as part of this Agreement. Distributor may change its prices, discounts or terms at any time without notice, but such changes will not affect goods already invoiced. Returns are subject to Distributor's consent and terms. Dealer will pay interest on any unpaid balance past due at the rate of 18% per year or according to Distributor's printed Discounts and Terms. Dealer's payments will be applied first to interest, then to principle.  
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**WARRANTY**

Dealer agrees to rely solely on the manufacturer's warranty, and to extend that warranty to its customers. Distributor makes no warranty of merchantability, nor of fitness for any purpose, nor otherwise, beyond the description of the goods. Distributor's liability for any claim or loss shall not exceed the price of the part which gives rise to the claim, with no liability for indirect or consequential damages. Dealer agrees to assemble, prepare and inspect all goods before delivery to a retail customer, to instruct them in the proper and safe use of the goods, and to be liable for any failure to do so.

**SECURITY INTEREST**

To induce Distributor to extend or guarantee credit, Dealer hereby grants to Distributor a security interest under the Uniform Commercial Code in the collateral described below, to secure all present and future obligations of Dealer to Distributor, including any future advances or contingent liabilities. The collateral is:

*"Existing and after-acquired inventory distributed or sold by Ellis Equipment Co., Inc. to Debtor (Dealer), and all proceeds of such inventory, including cash, accounts receivable, contract rights, or other property."*

To perfect this security interest, Dealer authorizes Distributor to execute and file financing statements covering the Collateral. This security interest shall continue and remain in effect to secure future obligations even though it may cover no obligations at some times.

**CARE OF COLLATERAL**

Dealer assumes all risk of loss of the collateral. Prior to delivery of any collateral to a customer, Dealer shall obtain a full settlement from the customer, and shall hold those proceeds in trust for Distributor until all sums due Distributor have been paid to Distributor. Dealer shall discharge tax and other liens on the collateral, or shall pay Distributor to do so. Distributor or its agent may inspect the collateral and any related documents at any reasonable time or during Dealer's regular hours.

**DEFAULT**

The occurrence of any of the following shall, at the option of Distributor and without notice or demand, constitute a default by Dealer:

*"Dealer's failure to pay Distributor when due or to perform any other obligation to Distributor; Dealer's material misrepresentation to Distributor; Dealer's failure to pay a third party the proceeds from the sale of that party's collateral; the commencement of Dealer's bankruptcy, insolvency, liquidation or cessation of business; the termination, incapacity or insolvency of any of Dealer's owners, manager or guarantors."*

If Dealer defaults, Distributor may, without notice or demand, accelerate any of Dealer's obligations to

Distributor and take possession of the Collateral. If Dealer defaults, Dealer shall pay Distributor's costs incurred in protecting and enforcing Distributor's rights under this Agreement, including attorney fees, and shall pay Distributor for any deficiency remaining after liquidation of the collateral. If Dealer defaults, all parties will submit to the laws and courts of the state of Utah, and to the venue of Cache County Utah.

**PERSONAL GUARANTEES**

To further induce Distributor to extend credit to Dealer, the undersigned Personal Guarantor(s) individually guarantee to Distributor a complete fulfillment of Dealer's obligations to Distributor under this Agreement, and acknowledge receipt of a copy of this Agreement. The Personal Guarantors waive notice of acceptance of this guarantee, consent to and waive notice of any transactions or agreements between Dealer and Distributor or of default by Dealer. Each Personal Guarantor's guarantee shall continue until that Guarantor gives written notice to distributor to make no further advances on the security of that guarantee. Such notice shall not affect the guarantee of Dealer's obligations incurred prior to the notice.

**OTHER PROVISIONS**

Dealer warrants to Distributor that the information provided in this Agreement is accurate, that the undersigned is authorized to execute this Agreement, and that Dealer has received a copy of this Agreement. The failure of any party to enforce any provision of this Agreement does not constitute a waiver of that or any other provision. The rights and remedies stated herein are cumulative. Should any provision of this Agreement be determined to be illegal or unenforceable, such determination shall not invalidate the other provisions. This Agreement may be terminated by either party giving the other party fifteen days written notice, but no termination shall affect the parties' rights or obligations hereunder existing at the time of termination. Any notice under this Agreement shall be delivered to Distributor or Dealer at the address shown on this Agreement. This Agreement is effective upon its execution by all parties, and shall continue in force until terminated as provided herein. Dealer waives notice of acceptance of this Agreement. This Agreement, when effective, supersedes and cancels any prior sales or security agreement between the parties.

Date \_\_\_\_\_

Dealer Name \_\_\_\_\_

By, X \_\_\_\_\_

Print Name \_\_\_\_\_ Title \_\_\_\_\_

Personal Guarantor, X \_\_\_\_\_

Print Name \_\_\_\_\_

Personal Guarantor, X \_\_\_\_\_

Print Name \_\_\_\_\_

Accepted by Ellis Equipment Co., Inc., Date \_\_\_\_\_

By X \_\_\_\_\_