



NEW CUSTOMER CREDIT APPLICATION / CREDIT UPDATE INQUIRY

CUSTOMER'S NAME

TRADE /DBA NAME: _____

LEGAL NAME: _____

(Select One) Sole Proprietor/An Individual General Partnership, State: _____ Corporation/PC, State: _____
 LP/LLP, State: _____ LLC/PLLC, State: _____ Other: _____

TELL US ABOUT YOUR BUSINESS

TYPE OF BUSINESS: _____ YEAR ESTABLISHED: _____ FED TAX ID: _____

ADDRESS: _____

CITY, STATE& ZIP: _____

TELEPHONE NO.: _____ ALTERNATIVE NO.: _____

FAX NO.: _____ EMAIL ADDRESS: _____

ACCOUNTS PAYABLE CONTACT NAME& TELEPHONE NO.: _____

INFORMATION ABOUT YOUR INDIVIDUAL PROPRIETORS, CORPORATE OFFICERS, OR GENERAL PARTNERS:			
<i>NAME & TITLE</i>			
<i>HOME ADDRESS, CITY, STATE & ZIP</i>			
<i>TELEPHONE NUMBER</i>			
<i>SOCIAL SECURITY NO.</i>			
<i>DRIVER LICENSE NO.</i>	Issuing State: _____	Issuing State: _____	Issuing State: _____

TELL US ABOUT YOUR BANK

BANK'S NAME: _____ CONTACT/OFFICER'S NAME: _____

ADDRESS: _____

CITY, STATE& ZIP: _____

TELEPHONE NO.: _____ FAX NO.: _____

ACCOUNT TYPES: Checking, Account No.: _____ Credit Cards/Lines of Credit
 Savings, Account No.: _____ Loans

DISTRIBUTORS/VENDORS REFERENCES			
<i>BUSINESS NAME</i>			
<i>ADDRESS, CITY, STATE & ZIP</i>			
<i>TELEPHONE NUMBER</i>			
<i>ACCOUNT NUMBER</i>			



TERMS, CONDITIONS & SECURITY AGREEMENT

1. **Purpose & the Parties.** This document is your credit application with Perfumes of the World ("POTW," "we," "us," or "ours"), and if your application is approved, your credit agreement with us, as the same may be renewed, extended, amended, or reinstated from time to time, (the "Agreement"). POTW shall mean Scents, Inc., a Texas corporation. The term POTW in context therefore means one or more companies that provide goods, services, credit, or financial accommodations to you, Customer from time to time. "Customer," "you", or "your" shall mean the applicant. This application is binding upon your execution of this Agreement, unless we reject your Agreement. Even if approved, we, in our sole discretion, may terminate Customer's credit privileges under this Agreement at any time without prior notice to Customer, except as otherwise provided by law.

2. **Scope of Agreement.** This Agreement applies to all of Customer's purchases of goods and services from POTW. This Agreement consists of these terms and conditions and any and all agreements, orders, statements, invoices, or other POTW documents approved or performed by POTW to evidence Customer's obligations to POTW (the "Obligations"), all of which are incorporated in this Agreement by reference. Except as to quantity of goods ordered, Customer agrees that we are not subject to any terms and conditions set forth in any purchase orders, confirmations, or other communication from Customer that would supplement, amend, or vary this Agreement.

3. **Payment Terms.** POTW in its sole discretion may establish or determine payment terms with Customer or any related customer. POTW reserves the right to modify payment terms for Customer or any related customer if, in POTW's sole discretion, POTW becomes aware of circumstances that may materially and adversely impact Customer's or such related customer's ability to meet their financial obligations when due. These rights to modify payment terms are not deemed to be a modification of the Terms and Conditions of this Agreement for credit and are in addition to the rights described in any of POTW's credit, return, and collection policies that may have been provided to Customer. If Customer is paying by credit card or ACH debit direct payments, Customer authorizes POTW to debit or charge the amounts owed and payable to POTW, less any unincurred or unearned charges, by the date due until this Agreement is properly terminated by either party on the credit card provided by Customer in the Authorization Agreement For ACH Debit Direct Payments/Recurring Credit Card Payment, and pursuant to the terms and conditions thereto.

4. **Payment & Performance.** Payment is due at the physical location of POTW that is provided in this Agreement, or at such other address as we may designate in writing from time to time. If Customer does not pay or perform on time, all amounts owed, less any unincurred or unearned charges, become immediately due and payable in full. Subject to any legal limits, Customer agrees to pay: (a) the interest rate of one and one-half percent (1.5%) per on past due amounts from date due until paid; (b) all costs of collection, including without limitation, attorneys' fees, court costs, and expenses; and \$25 fee for each returned item (whether check or ACH) that is dishonored for any reason, or such greater amount allowed by law. In each instance, all charges and fees, and our rights and remedies, are subject to and automatically constrained by applicable law.

5. **Security Agreement.** In the event this Agreement is approved, as collateral security for the prompt and complete payment and performance of all of Customer's Obligations, Customer hereby grants to POTW a continuing security interest in, and mortgage to, to the following (the "Collateral"): all (i) goods, including, without limitation, all goods now or hereafter delivered on credit to Customer pursuant to this Agreement, and more fully described on invoices issued to Customer by POTW, (ii) inventory, (iii) equipment; (iv) instruments, (v) chattel paper, (vi) documents, (vii) accounts, (viii) accounts receivable, (ix) general intangibles, (x) deposit accounts, (xi) investment property, (xii) payment intangibles in which Customer now has or hereafter acquires any right or interest, and the proceeds, insurance proceeds and products thereof, together with all books and records, customer lists, credit files, computer files, programs, printouts and other computer materials and records related thereto, and (xiii) intellectual property.

6. **Financing Statements.** Customer hereby irrevocably authorizes POTW at any time, and from time to time, to file in any filing office in any Uniform Commercial Code (UCC) jurisdiction any initial financing statements describing the Collateral as all assets of Customer or language of similar effect and any continuation statements or amendments thereto. Customer also ratifies their authorization for POTW to have filed in any UCC jurisdiction, any like initial financing statements, or continuation statements, or amendments, if filed before the date of this Agreement.

7. **Events of default.** Each of the following constitutes an "Event of Default" by Customer: (a) not paying or performing all or any part of the Obligations when due; (b) any representation or warranty made or deemed made by Customer, or any guarantor of the Obligations (each a "Guarantor," and together with Customer, the "Obligated Parties"), in this Agreement or in any related document shall be false, misleading, or erroneous in any material respect when made or deemed to have been made; (c) any Obligated Party shall suspend or discontinue its business operations, or shall generally fail to pay its debts as they mature, or shall file a petition commencing a voluntary case concerning any Obligated Party under any chapter of the United States Bankruptcy Code; or any involuntary case shall be commenced against any Obligated Party under the United States Bankruptcy Code; or any Obligated Party shall become insolvent (howsoever such insolvency may be evidenced); (d) any Obligated Party, shall fail to pay when due any principal or interest on any debt (other than the Obligations), or the maturity of any such debt shall have been accelerated, or any event shall have occurred that permits any holder of such debt to accelerate the maturity thereof; (e) this Agreement or any related documents shall cease to be in full force and effect or enforceability thereof shall be contested by any Obligated Party or any Obligated Party shall deny that they have any further liability under this Agreement or any related documents, or any lien created by this Agreement shall for any reason cease to be a valid, first priority perfected lien upon any of the collateral purported to be covered thereby; or (f) the death or incapacity of

any Guarantor]. Upon an Event of Default, POTW may without notice terminate Customer's credit privileges under this Agreement or declare the Obligations or any part thereof to be immediately due and payable, or both, and the same shall thereupon become immediately due and payable, without notice, demand, presentment, notice of dishonor, notice of acceleration, notice of intent to accelerate, notice of intent to demand, protest, or other formalities of any kind, all of which are hereby expressly waived by Customer; provided, however, that upon the occurrence of an Event of Default under clause (c) above, Customer's credit privileges shall automatically terminate, and the Obligations shall automatically become immediately due and payable. In addition to the foregoing, if any Event of Default shall occur and be continuing, POTW may exercise all rights and remedies available to it in law or in equity, under this Agreement, or otherwise.

8. **Prompt notice of any nonconforming items.** Customer agrees that POTW is not responsible for any product nonconformity as to quantity, quality, or price, unless noted on the original invoice at the time of delivery, or unless POTW is specifically notified in writing the nonconformity within three (3) days of receipt pursuant to the Shipping & Return Policy.

9. **DISCLAIMER OF WARRANTIES.** EXCEPT AS PROVIDED HEREIN, POTW MAKES NO WARRANTY, EXPRESS OR IMPLIED, REGARDING ITS PRODUCTS, PERFORMANCE, OR THE SUBJECT MATTER OF THIS AGREEMENT OR ANY OTHER AGREEMENT BETWEEN THE PARTIES. ALL PRODUCTS AND SERVICES OFFERED OR DELIVERED BY POTW TO CUSTOMER ARE PROVIDED TO CUSTOMER "AS IS" WITHOUT WARRANTY OF ANY KIND EITHER EXPRESS OR IMPLIED INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, TITLE, NON-INFRINGEMENT, SECURITY OR ACCURACY. POTW DOES NOT ENDORSE AND IS NOT RESPONSIBLE FOR THE CAPABILITIES OR RELIABILITY OF ANY PRODUCT OR SERVICE OBTAINED FROM POTW. OTHER THAN AS REQUIRED UNDER APPLICABLE CONSUMER PROTECTION LAW, UNDER NO CIRCUMSTANCE WILL POTW BE LIABLE FOR ANY LOSS OR DAMAGE CAUSED BY CUSTOMER'S RELIANCE ON ANY PRODUCT OR SERVICE OBTAINED FROM POTW. TO THE GREATEST EXTENT PERMITTED BY LAW, POTW DISCLAIMS AND EXCLUDES ANY WARRANTY TO CUSTOMER. CUSTOMER AGREES THAT POTW HAS MADE NO REPRESENTATION OR WARRANTY TO CUSTOMER OTHER THAN THE TERMS, CONDITIONS, AND AGREEMENT SET FORTH IN THIS AGREEMENT. CUSTOMER FURTHER AGREES THAT CUSTOMER HAS NO RIGHT TO RELY UPON ANY ORAL STATEMENT BY POTW AND ITS CORPORATE OFFICERS, SHAREHOLDERS, EMPLOYEES, MEMBERS, DIRECTORS, MANAGERS, PARTNERS, AFFILIATES, AGENTS, AND REPRESENTATIVES.

10. **No assignments.** Customer may not assign any rights, or benefits under this Agreement without POTW's prior written consent, which consent may



be withheld in POTW's sole discretion. If Customer is a business entity, a transfer or assignment of a majority of the equity interest in Customer is considered an assignment within the meaning of this provision.

11. **Choice of Law & Venue.** The Agreement, and all aspects of this Agreement and all transactions and disputes between Customer and POTW, shall be enforced under the laws of the State of Texas. THIS AGREEMENT IS TO BE PERFORMED BY POTW IN DALLAS COUNTY, TEXAS. THE PARTIES CONSENT TO EXCLUSIVE JURISDICTION AND VENUE IN THE STATE COURTS OF DALLAS COUNTY, TEXAS, OTHER THAN ACTION TO ENFORCE ANY JUDGEMENT RENDERED IN THIS MATTER. Customer waives any right Customer may have to transfer or change venue regarding Customer's obligations to POTW under this Agreement.

12. **JURY WAIVER.** Customer waives any and all rights to a trial by jury in connection with the

enforcement or interpretation by judicial process of any provision of this Agreement, and in connection with allegations of state or federal statutory violations, fraud, misrepresentation, or similar causes of action or any legal action initiated for the recovery of damages for breach of this Agreement.

13. **Notices.** Any notice or communication required or permitted hereunder by Customer to POTW shall be deemed to be delivered, whether actually received or not, when deposited in the United States mail, postage fully prepaid registered or certified mail, and addressed, emailed, or faxed at:

Perfumes of the World
2503 Southwell Rd., Dallas TX 75229
Tel. No.: (972) 247-7850
Fax No.: (972) 247-8015
Email: kingraf@aol.com or
anita@perfumesoftheworldus.com

Any address for notice may be changed by written notice by POTW delivered as provided herein.

14. **Severability.** Should one or more clauses of this Agreement be held void or unenforceable for any reason by any court of competent jurisdiction, such clause or clauses will be deemed to be separable in such jurisdiction and the remainder of this Agreement is valid and in full force and effect.

15. **Binding Effect.** The Agreement shall be binding upon the Obligated Parties and their successors, assigns, owners, directors, members, partners, shareholders, managers, officers, and personal representatives.

16. **Waiver & Modification.** Waiver by POTW of any right or remedy hereunder, including, but not limited to, POTW's failure to exercise or delay in exercising any right or remedy, shall not operate as a waiver of such right or remedy, other rights or remedies, or waiver of an Event of Default. No waiver or modification of any of the terms set forth in this Agreement shall be binding on POTW unless in writing signed by all parties.

ACCEPTANCE OF THIS APPLICATION DOES NOT INDICATE AN OFFER OF TERMS. THE PERSON EXECUTING THIS AGREEMENT HAS AUTHORITY TO BIND CUSTOMER AND IS AUTHORIZED BY CUSTOMER TO ENTER INTO THE CREDIT APPLICATION TERMS AND CONDITIONS. By signing this Agreement, Customer acknowledges that Customer has read this Agreement, and understands and agrees to all of the Terms and Conditions of this Agreement.

LEGAL NAME OF CUSTOMER (Corporation, LLC, Sole Proprietor)

DBA/TRADE NAME

Signature

Authorized Agent's Name & Title

Date

AUTHORIZATION FOR CREDIT REPORT. The undersigned is executing this Authorization for Credit Report individually for the purpose of authorizing POTW to obtain a consumer credit report from time to time on the undersigned individual(s) through credit and consumer reporting agencies or other sources, in order to further evaluate the creditworthiness of such individual in connection with the credit evaluation process and the proposed extension of business credit to the Applicant. The undersigned, as an individual, hereby knowingly consents to the use of such credit report in accordance with the federal fair credit reporting act as contained in 15 U.S.C.1681, *et seq.*, as amended from time to time.

Signature

Authorized Agent's Name & Title

Date

FOR PERFUMES OF THE WORLD'S USE ONLY

CUST #: _____ DATE: _____

SALES PERSON: _____ SVP SALES APPROVAL: _____

Customer also completed these documents: Personal Guaranty Authorization Agreement For ACH Debit Direct Payments/Recurring Credit Card Payment