

## Vintage Grocers Commercial Credit Application and Cardholder Agreement Terms and Conditions

1. **Agreement Terms:** The word "Card" means any one or more credit cards bearing the Vintage Grocers name and logo issued by Vintage Grocers to you or someone else with your authorization. The word "Account" means your Vintage Grocers Credit Card Account. The words "you", "your", or "yours" means you, the cardholder, and any person or persons who are also contractually liable under this Agreement. The words "we", "us" and "our" mean Vintage Grocers. The words "Authorized User" mean any person whom you authorize to use your Account or the Card, whether you notify us or not.
2. **Use of your Account:** Upon credit approval we will open an "Account" for you. Your application will be considered approved when we notify you of your approval. Each use of the Card to charge purchases constitutes a loan for business purposes to you by us. The Account is established only for the purpose of purchasing goods and services to be used for business, commercial or organizational purposes on behalf of the business. You agree not to use this Account to purchase goods or services for personal, family or household purposes. You understand that your agreement not to use the Account to purchase goods and services for personal, family or household purposes means that important duties imposed on us, and important rights conferred upon a consumer, pursuant to certain federal and state laws, do not apply to this Account.
3. **Acceptance of Agreement:** The use of your Account or the Card by you or an Authorized User means you accept this Agreement.
4. **Promise to Pay:** You agree to pay in US dollars for the purchases, including applicable Finance Charges and late fees and other charges, incurred by you or an Authorized User. You understand that we will be unable to determine whether any purchase(s) made on your Account was in fact authorized by and for the benefit of the business in whose name the Account is established. You agree that the promise to pay as contained in this section will apply to all purchases made by you or an Authorized User whether or not the purchase was in fact authorized by and for the benefit of the business. All checks must be drawn on funds that are on deposit in a US bank. We will not accept post-dated checks, nor any form of payment which contains any limitation or condition to immediate payment. We can accept late payments, partial payments or checks and money orders marked "payment in full" or with any other restrictive endorsement without losing any of our rights under this Agreement. Instruments which are not accepted by us as payment will not be returned, except for dishonored checks, which may be returned by your bank.
5. **Finance Charges:** Finance Charges are imposed on unpaid purchases, unpaid Finance Charges, fees and other charges from the date they are posted to your Account. Purchases are posted to your Account as of the day the purchase occurs, unless we receive the record of the purchase after the close of the billing period in which it occurred, in which case the purchase will be posted to your Account on the first day of the immediately following billing period. You can avoid paying Finance Charges on any purchase if you pay, by the Payment Due Date shown on the billing statement on which the purchase first appears, the "New Balance" for your Account shown on that billing statement; and you paid, by the Payment Due Date shown on the previous billing statement, the New Balance for your Account shown on that billing statement. Finance Charges are imposed as follows:
  - a) **Current Billing Period:** Finance Charges are imposed for the current billing period on your Account unless you paid, by the Payment Due Date, the New Balance on your Account as shown on that billing statement for the previous billing period or the New Balance was zero. We compute these Finance Charges by multiplying the average daily balance of your Account for the billing period by the applicable Monthly Periodic Rate. The average daily balance of your Account for a billing period is equal to the sum of your Account's daily balances subject to Finance Charges for each day of the billing period divided by the number of days in the billing period. The Account's daily balance subject to Finance Charges for each day equals the sum of the following (after applying payments and credits to your Account on that day): (1) the unpaid balance of purchases posted to the Account on or before that day; (2) the unpaid balance of all Finance Charges posted to the Account for previous billing periods; and (3) the unpaid balance of fees posted to the Account on or before that day in accordance with this Agreement.
  - b) **Previous Billing Period:** Finance Charges are imposed for the previous billing period on purchases posted to your Account during the previous billing period, unless: (1) Finance Charges were already imposed on those purchases; or (2) you paid, by the Payment Due Date, the New Balance on your Account that was shown on your previous billing statement. To compute these charges, we use that same method of calculation that we use in calculating the Finance Charges under that Account for the current billing period, as described above, except that the applicable Monthly Periodic Rate is applied to the average daily balance for the previous billing period.
6. **Monthly Periodic Rate and Annual Percentage Rate for Purchase:** The ANNUAL PERCENTAGE RATE IS 18% (which corresponds to the MONTHLY PERIODIC RATE of 1.5%) or the maximum allowed by law, whichever is lower.
7. **Minimum Finance Charge:** We will charge you a MINIMUM FINANCE CHARGE of \$ 1.00 for any billing period in which a FINANCE CHARGE of less than \$1.00 is due.
8. **Periodic Billing Statement:** We will send you a billing statement after each billing cycle, approximately monthly, in which you have a debit or credit balance in excess of \$1.00. The billing statement will show all purchases, finance charges, late fees or other charges and all payments and other credits posted to your Account during the billing cycle. It will show your New Balance.
9. **Payments:** The New Balance for your account is DUE IN FULL 15 DAYS FROM THE DATE OF THE STATEMENT. Any partial payments made will be applied to your account but any balance carried over from month to month will be considered past due and your account will become subject to credit hold.
10. **Credit Line:** We will advise you of your credit limit. We may increase or decrease your credit limit from time to time. You agree not to exceed or attempt to exceed your credit limit. The credit available for your use may, from time to time, be less than your credit limit. We determine your available credit by subtracting from your credit limit any unpaid balance, including Finance Charges and fees, the amount of any transactions authorized by us but not yet posted to your Account; and the amount of any payments we have received from you for up to eight business days after we credit your Account for the payment. Any credit balance in your Account will not increase your available credit.
11. **Default-Collection-Acceleration Costs:** Your Account is in default if: (i) you become insolvent; (ii) you file a bankruptcy petition or have one filed against you; (iii) you made any false or misleading statement on the application for your Account; (iv) we have a reasonable belief that you are unable or unwilling to repay your obligations to us; or (v) you fail to comply with the terms of this agreement, including failing to make a required payment when due, exceeding your credit limit or paying us with a check that is returned unpaid for

- any reason. If you are in default, we may declare the entire balance of your Account immediately due and payable without notice. If you are in default and we refer the collection of your Account to an attorney or employ an attorney to represent us with regard to recovery of the money that you owe us, we may charge you reasonable attorney's fees and court or other collection costs as permitted by law and as actually incurred by us. We may delay enforcing or not enforcing any of our rights under this Agreement without losing or waiving any of them.
12. **Credit Balances:** If there is a credit balance on your Account we will apply it to future amounts owed on your Account or refund it to you. We will refund any credit balance upon receipt of your written request. We may charge your Account, and you agree to pay us, for any credit balance that is refunded to you in error.
  13. **Liability for Unauthorized Use:** You shall assume complete responsibility for and shall use ordinary care in protecting the safety and security of each Card. You agree to report any lost or stolen Card(s) immediately. You shall be liable for all unauthorized purchases made using your Card, except that you shall not be liable for unauthorized use that occurs after we have been notified at the telephone number indicated on the monthly billing statement or in writing at the address indicated on the monthly billing statement. You agree that any person presenting a Card at the point of sale or otherwise making a purchase on the Account shall be deemed to have implied or apparent authority for such use. Should an unauthorized use of your Account or Cards occur, we, at our sole discretion, may choose to immediately cancel this Agreement.
  14. **Late Fees:** We will charge you a Late Fee of \$20.00 if you fail to make a required payment within 15 days after the Payment Due Date in any month.
  15. **Returned Check Charges:** We will charge you a Returned Check Charge of \$25.00 each time you pay us with a check that is returned unpaid.
  16. **Credit Investigation-Reporting and Sharing of Information-Personal Guaranty:** We may release information about you and your account for any business purpose to our corporate affiliates and, if you are in default, we may release information about your Account to third parties that may assist us in enforcing our rights under this Agreement. We may also report to credit reporting agencies and other creditors the status and payment history of your Account, including negative credit information. We may from time to time review your credit and income records and verify your credit references.

If there is a personal guarantor on your Account, the personal guarantor agrees to be jointly and severally liable with you for any unpaid amounts on the Account. In addition, we may review the personal guarantor's credit and financial records, including banking records in connection with the update, renewal, extension of credit, and review of collection of the Account. The personal guarantor agrees to guarantee payment of all amounts due on this Account and in the event of any default under this Agreement, the personal guarantor agrees that we can enforce the guaranty without first proceeding against you, until all amounts due have been paid in full and the Agreement has been terminated.

Our supervisory personnel may listen to or record telephone calls between you and our representatives in order to evaluate the quality of our service to you. We may use automated telephone equipment or prerecorded telephone calls to contact you about your Account. Our security measures cannot ensure against unauthorized inquiries. You agree that we will not be responsible for the release of information to anyone who, even without your authorization or permission has gained possession of a Card or who has learned other identifying characteristics about you such as your Account number.
  17. **Assignment:** You understand that we may sell, assign, or transfer our rights to your Account balance or any portion thereof without written notification. You may not sell, assign, or transfer your rights under this Agreement without prior written consent.
  18. **Cancellation:** You may cancel the Account upon written notice to us with effect on the next business day after receipt of such notice by Vintage Grocers. You understand that you will be responsible for all outstanding balances and for all purchases and other applicable charges made up to and including the date of cancellation. We may cancel or suspend your Account at any time for reason without notice. Upon cancellation, including cancellation due to non-payment, you agree to return to us all Cards issued.
  19. **Research Fee:** We may charge you a Research Fee of \$5.00 per statement or invoice for each statement or invoice that you request that is older than 12 months.
  20. **Change of Terms:** We may change any terms of this Agreement, including any Finance Charge or fee or method of computing any balance upon which Finance Charges are assessed, by sending a written notice at least 15 days before the change is to become effective. We may apply any change to the outstanding balance of your Account on the effective date of the change and to charges made after that date. If you do not agree to the change, you must notify us in writing no later than 25 days after the effective date of the change at the address provided in the notice of change, in which case your Account will be closed and you must pay us the balance that you owe us under the existing terms of the unchanged Agreement. Otherwise, you will have agreed to changes in the notice. Use of your Account after the effective date of the change will be deemed acceptance of the new terms, even if the 25 days have not expired or if you previously notified us that you did not agree to the changes. You agree that if we choose to waive any Finance Charge fee, or other charge on your Account, that we may impose that Finance Charge fee or other charge in the future without requiring a change of terms.
  21. **Change of Address:** You must immediately notify us of any change in address.
  22. **Governing Law:** This Agreement will be governed by the laws of the State of California.
  23. **ECOANotice:** If your application for business credit is denied, you have the right to a written statement of the specific reasons for the denial. To obtain the statement, please contact Accounts Receivable at Vintage Grocers Corporate Office, telephone (310) 457-2828 within 60 days from date you are notified of our decision. We will send you a written statement of reasons for the denial within 30 days of receiving your request for the statement.

**NOTICE:** The federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided that applicant has the capacity to enter into a binding contract); because all or part of the application income derives from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The federal agency that administers compliance with this law concerning this creditor is FTC Regional Office for region in which creditor operates or Federal Trade Commission, Equal Credit Opportunity, Washington, DC 20580.



## Vintage Grocers Commercial Credit Application

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