

# COMMERCIAL CREDIT APPLICATION AND TERMS OF TRADING AGREEMENT

THIS AGREEMENT made the..... day of.....20.....

BETWEEN..... of .....  
 ("the Supplier") of the one part

AND:..... of.....  
 ("the Customer") of the other part

**WHEREAS-**

The Customer is desirous of establishing a commercial credit trading account with the Supplier and pursuant to its desire to establish a credit trading account has submitted to the Supplier the information and financial particulars as set out in the First Schedule.

The Supplier has agreed to consider the Application of the Customer and to advise the Customer as to whether or not credit will be extended to the Customer.

The parties agree that in the event of the Supplier granting to the Customer credit facilities then such credit facilities shall be on the terms and conditions herein appearing overleaf.

### FIRST SCHEDULE

<input type="checkbox"/> COMPANY	<input type="checkbox"/> PARTNERSHIP/SOLE TRADER	<input type="checkbox"/> TRUSTEE COMPANY
Registered Name of Company.....		
Trading Name.....		
Business Address.....		Postcode.....
Postal Address: P.O. Box.....	Suburb.....	Postcode.....
Telephone No. .... ACCOUNTS PAYABLE CONTACT.....		
COMMENCEMENT DATE OF BUSINESS..... A.C.N..... A.B.N.....		
DIRECTORS/PROPRIETORS	PRIVATE ADDRESS	PHONE
1. ....		
2. ....		
HAVE APPLICANTS EVER BEEN REGISTERED UNDER ANY PART OF THE BANKRUPTCY ACT <input type="checkbox"/> NO <input type="checkbox"/> YES		
AFFILIATED OR PARENT COMPANIES .....		
BANK.....BRANCH.....A/C NO.....		
ARE BUSINESS PREMISES OWNED, LEASED, MORTGAGED?.....ESTIMATED MONTHLY PURCHASES.....		
TRADE REFERENCES / CREDIT PROVIDERS		
NAME	ADDRESS	PHONE
1. ....		
2. ....		
3. ....		

**TERMS: - 7 DAYS FROM END OF MONTH IN WHICH GOODS/SERVICES ARE SUPPLIED**

The Customer and signatories appearing below hereby acknowledge receipt of a copy of the agreement and upon acceptance by the Supplier by way of written notice or the supply of goods or services AND HAVING READ the terms of the agreement overleaf agrees to be bound accordingly. The customer further agrees to the obtaining and use of credit information as stated in clauses 13 and 14 overleaf.

SIGNATURE OF AUTHORISED REPRESENTATIVE.....

FULL NAME..... POSITION.....

# TERMS OF TRADING AGREEMENT

## THE AGREEMENT

1. The Customer hereby warrants that the information comprised in the First Schedule hereto is true accurate and correct and is supplied for the purpose of obtaining commercial credit.
2. The Customer warrants that the persons' signatures appearing on this Agreement are duly authorised by the Customer to apply for credit and execute this Agreement.
3. The Customer agrees to adhere to the terms and conditions of this Agreement.
4. **Jurisdiction**  
Notwithstanding any implication of law to the contrary, all contracts between the Customer and the Supplier shall be deemed to be made and construed and to be enforceable in and according to the laws and by mutual consent to be subject to the jurisdiction of the Courts in the State in which the supplier carries on business.
5. **Claims**  
Any claim for non-delivery, shortage in supply or damage occurring during the course of delivery or any claim for rejects by a customer must be in writing and given to the Manager of the supplier within 24 hours of delivery.
6. In the event of the Supplier granting credit facilities to the Customer then the following terms apply-
  - i) All accounts are to be settled in full within 7 days from end of month in which goods/services are purchased.
  - ii) That should the Customer default in the payment of any monies due under this Agreement then all monies due to the Supplier shall immediately become due and payable and shall be paid by the Customer within seven (7) days of the date of demand the supplier shall be entitled to charge interest on all amounts not paid by the due date for payment and the Customer undertakes to pay any interest so charged. Such interest shall be calculated on a daily basis from the due date for payment until the date the supplier receives payment at such rate, up to but not exceeding 2% per month.
  - iii) Any expenses, costs or disbursements incurred by the Supplier in recovering any outstanding monies including debt collection agency fees and solicitor's costs shall be paid by the Customer providing that those fees do not exceed the scale charges as charged by that debt collection agency/solicitor.
  - iv) The Supplier shall be entitled without notice to terminate any credit arrangement with the Customer in the event of the Customer defaulting in any of the terms and conditions herein contained.
  - v) The Supplier shall be entitled at any stage during the continuance of this Agreement to request such security or additional security as the Supplier shall in its discretion think fit and shall be entitled to withhold supply of any goods or credit arrangements until such security or additional security shall be obtained or for any other reason at the Supplier's discretion.
7. **Title and Risk**
  - i) Risk passes to Customer on delivery. All goods shall remain the property of the Supplier until all debts due to the Supplier by Customer are paid in full.
  - ii) Customer shall be bailee of Goods in its possession whose title remains with the Supplier.
  - iii) Goods in the Customer's possession must be clearly identifiable as the property of the Supplier.
  - iv) If Customer fails to pay any debt due to the Supplier by the date for payment, the Supplier may retake possession of Goods. All costs of such repossession of Goods by the Supplier will be payable by Customer. Such rights shall be without prejudice to the Suppliers' right to claim damages from the Customer for breach of contract.
  - v) Customer irrevocably authorises the Supplier and its servants and agents to enter upon the Customer's premises without notice at any time, for the purposes of examination or recovery of Goods.
  - vi) Customer shall indemnify the Supplier against any loss or expense arising from the Customer breaching this Contract.
  - vii) If Customer makes new Goods or other Goods from or with Goods, these new Goods are Goods for the purposes of this Contract.
8. These Conditions of Sale shall not exclude, limit, restrict or modify the rights, entitlements and remedies conferred upon the Customer or the liabilities imposed upon the Supplier by any condition or warranty implied by a Commonwealth, State or Territory Act or Ordinance, rendering void or prohibiting such exclusion, limitation, restriction, or modification.
9. If any of these terms or conditions is or becomes for any reason wholly or partly invalid that term or condition shall to the extent of the invalidity be severed without prejudice to the continuing force and validity of the remaining conditions.
10. In the case of a Trust Company we acknowledge that the Trustee shall be liable on the account and that in addition the assets of the trust shall be available to meet payment of the account.
11. **Change of ownership – Registered Particulars –** The Customer shall no later than 14 days prior to any proposed changes of ownership, change in Registered particulars, alteration, addition to shareholding or directorship, notify the Supplier of the proposed change and the Customer shall notify the Supplier of any change, alteration or addition to the Customer's internal structure and shall provide full details of the proposed change, alteration or addition, to the Supplier and the Customer shall be liable for any goods supplied by the Supplier after such change alteration or addition unless the Supplier shall have acknowledged by writing acceptance of the intending change, alteration or addition.
12. The Customer hereby charges the land upon which the goods are situated or the work carried out and other land owned or in the future acquired by the Customer from time to time and the Customer agrees immediately upon being required by the Supplier to enter into a mortgage to be prepared by the Suppliers' solicitors on the terms and conditions as the Suppliers' solicitor shall think fit to secure any sum due hereunder and the customer further agrees and permits and authorises the supplier to register a caveat over any land now owned by the Customer or in the future acquired by the Customer to secure any sum due hereunder at any time during the continuance of the Agreement.
13. **Privacy Act. Acknowledgement that credit information may be given to a credit reporting agency.** The customer understands that section 18E(8)(c) of the Act allows the Supplier to give a credit reporting agency certain personal information about the Customer. The information which may be given to an agency is covered by section 18E (1) of the Act and includes: Particulars to identify the Customer, The fact that the Customer has applied for credit and the amount, The fact that the Supplier is a credit provider to the Customer, Payments which become overdue more than 60 days, Advice that payments are no longer overdue, Cheques of \$100 or more drawn by the Customer which a Bank has dishonoured more than once, in specified circumstances, that in the opinion of the Supplier the Customer has committed a serious credit infringement, That the credit provided to the Customer by the Supplier has been dis charged.
14. **Privacy Act.** The Customer hereby acknowledges and agrees that the Supplier is entitled to undertake all necessary enquiries, investigations, and assessments to ensure the accuracy of the information provided herein; and further, that such information, as verified, may be used by the Supplier, and any authorised agent, employee, or subcontractor engaged by the Supplier, for the purpose of reviewing, vetting, monitoring, and if necessary, actioning the Customer's use and performance in the operation of the Account/Credit facility, including recovery of any outstanding account balance.