

IQ TEXTILE, IND. INC. / NCC

3003 south Hill Street , LA , CA , 90007
Tel: 213-745-2290 Fax: 213-745-2293

CREDIT ACCEPTANCE APPLICATION and CONTINUING PERSONAL GUARANTY

GENERAL INFORMATION:

Complete Legal Name of Business:

Company Street Address:

Telephone No.

Fax No.: ()

Fed Tax ID#

Orig. ID#

DUNS#

D&B Rating

State of Incorporation:

Date of Incorporation:

IF CA, RESALE ID #

ORGANIZATION

Indicate whether a Corporation, General or Limited Partnership or Sole Proprietorship:

Corporation (), Partnership General () Limited (), Sole Proprietor ship ()

State of Incorporation:

Other state(s) qualified to business in:

If a Partnership, list any exceptions to the Consent of all General Partners to this form:

OFFICERS, SHAREHOLDERS & MANAGEMENT

(ATTACH FINANCIAL STATEMENT FOR ANY OWNER OF MORE THAN 20% OF COMPANY)

	NAME	Social Security #	OWNERSHIP	RESIDENCE	TEL. NO.
President					
Secretary					
CFO					
Other					

CURRENT LENDER AND/OR FACTOR

Name: Client Since:

Address: City: State: Zip:

Account Officer/Primary Contact: Telephone:

Type of Facility Secured by:

BUSINESS BANK ACCOUNT (Please attach copy of deposit ticket)

Bank: Client Since:

Address: City: State: Zip:

Account Officer/Primary Contact: Telephone:

Type of Facility:

SUPPLIER REFERENCES

Company Name: Client Since:

Address: City: State: Zip:

Primary Contact: Telephone:

Company Name: Client Since:

Address: City: State: Zip:

Primary Contact: Telephone:

FINANCIALS

PLEASE ATTACH A COPY OF YOUR LATEST YEAR END FINANCIAL STATEMENT

We acknowledge that IQ Textile Ind. Inc. will rely on the statements contained in this form and any documents provided herewith, and that to the best of our knowledge the enclosed information is true and accurate and no misrepresentations have been made.

We authorize IQ Textile Ind. Inc. to verify with third parties in any manner it deems appropriate our financial condition, credit history, assets and any items indicated on this or other statements provided to our organization, its officers, directors or principals and each of us authorizes IQ Textile Ind. Inc. to conduct any and all references and background investigations relating to our respective character and reputation and each of us hereby irrevocably releases and holds harmless IQ Textile Ind. Inc. from any claim of any kind to our arising out of any such investigation. We will promptly notify you of any intended changes in the facts concerning our organization, name, place of business, authorities and other matters presented to you.

We agree that in connection with any dispute on accounts receivable purchased by IQ Textile Ind. we will be bound by the IQ Textile Ind. Non Binding Mediation Rules in effect at the time of any such dispute, and we acknowledge receipt of a copy of same. Owner(s) named in above application, have received and read, understood and agreed to all terms and conditions of the IQ Textile ind. inc personal guarantee. Signers also agree(s) to all terms and conditions of the master purchase agreement. This is a Personal Guarantee and it is transferable.

PRINT NAME/SIGNATURE

TITLE

DATE

CONTINUING PERSONAL GUARANTY

To induce IQ Textile Ind. Inc. ("From now on also called "IQT") to accept the foregoing and to extend credit in order for its Client to sell merchandise or provide services to the "BUYER" identified therein, the undersigned hereby unconditionally, absolutely and irrevocably agrees to guaranty BUYER's full performance of its obligations there under, whether past, present, and/or future.

GUARANTOR agrees that GUARANTOR'S obligations under this guaranty shall be joint and several with those of BUYER and that IQ TEXTILE IND. INC. shall not be obligated to first exercise any remedy it may have against buyer before proceeding against GUARANTOR

This guaranty is a continuing guaranty. IQ TEXTILE IND. INC. has no obligation to tell GUARANTOR that it has accepted this personal guaranty and has extended credit thereon. It shall remain in full force and effect until GUARANTOR delivers to IQ TEXTILE IND. INC. written notice revoking it as to indebtedness incurred subsequent to such delivery. Such revocation shall permit IQ Textile Ind. INC.

at its option to terminate its course of dealing with BUYER for the sale of merchandise to BUYER by IQ TEXTILE. INC. Such revocation shall also not affect the guaranty within the specified credit limit, as to merchandise purchased by BUYER prior to receipt of such written notice of revocation, but shall be effective as to all the merchandise purchased by the BUYER from and after receipt of the written notice of revocation.

GUARANTOR's liability shall continue notwithstanding any incapacity, death, or disability of any person. The failure by IQ TEXTILE, IND. INC. to enforce a claim against the estate (either in administration, bankruptcy, or other proceeding) of BUYER or of any person shall not affect GUARANTOR's liability hereunder, nor shall guarantor be released from liability if recovery from BUYER, any other GUARANTOR, or any other person, becomes barred by any statute of limitations or is otherwise prevented. This means that guarantor is giving up his/her right to assert a defense in any action that the statute of limitations has run and bars the collection of any debt from GUARANTOR. This continuing Guaranty (the "Guaranty") is a continuing guaranty which shall remain effective during the term of the AGREEMENT and relates to any obligations, including those which arise under successive transactions which shall either cause BUYER to incur new obligations, continue the obligations from time to time, or renew them after they have been satisfied, until this GUARANTY has been expressly terminated.

Such termination shall be applicable only to transactions having their inception prior to such date even if subsequent to such termination the obligations are modified, renewed, compromised, extended or otherwise amended (including, but not limited to, an increase in the interest rate applicable to the obligations). Any termination of this guarantee must be agreed in writing by IQ Textile ind. inc.

Any payment by any other GUARANTOR shall not reduce GUARANTOR's maximum obligations hereunder. In the absence of termination of this Guaranty, GUARANTOR agrees that nothing shall discharge or satisfy its obligations created hereunder except for the full payment and performance of the obligations with interest.

GUARANTOR agree that it is directly and primarily liable to IQT, that the GUARANTOR's obligations hereunder are independent of the obligations of BUYER, or of any other GUARANTOR(S), and that a separate actions may be brought and prosecuted against GUARANTOR(S), whether action is brought against BUYER or any other GUARANTOR(S) or endorser shall not release it from this GUARANTY.

In the event of any bankruptcy, insolvency, receivership, reorganization, or similar proceedings is instituted by or against GUARANTOR and/or the BUYER or in the event that either the GUARANTOR or BUYER becomes insolvent, makes an assignment for the benefit of IQT, or attempts to effect a composition with IQT, then, at IQT's election, without notice or demand, the obligation(s) of GUARANTOR created hereunder shall become immediately due, payable and enforceable against GUARANTOR whether or not the obligations are then due and payable.

No remedy herein conferred upon or reserved to IQT is intended to be exclusive of any other remedy provided herein of by law. Each such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. GUARANTOR expressly agrees that, upon default by GUARANTOR, an action by IQT seeking money damages will be an inadequate remedy and would not afford IQT adequate relief. GUARANTOR agrees that upon GUARANTOR's default, IQT is entitled to injunctive relief, a right to attach order, attachment of GUARANTOR's assets, appointment of a receiver to take possession of and administer GUARANTOR's assets. And the remedy of claim and delivery. One or more successive and concurrent actions may be brought hereon against the undersigned, jointly and severally, either in the same action in which BUYER is sued or in separate actions, as often as deemed advisable.

GUARANTOR waives any defense based upon IQT's election of any remedy against GUARANTOR or the BUYER, including, without limitation, an election by IQT to exercise its rights under the power of sale set forth in the Deed of Trust and any resulting loss by GUARANTOR of the right to recover any deficiency from BUYER. GUARANTOR acknowledges that he understands that, if IQT seeks non-judicial foreclosure, then by operation of California Code of Civil Procedure Section 580(d), BUYER will have a defense to any deficiency judgment, and that any rights of subrogation that GUARANTOR expressly agrees that, despite an election of remedies by IQT to proceed by non-judicial foreclosure, GUARANTOR shall have no defense under this Guaranty as a result of such election of remedies. This means that GUARANTOR shall in that circumstance still be liable to IQT even though DEBTOR may by law no longer be liable to IQT.

GUARANTOR(S) acknowledge(s) that he/she is benefitting financially from the subject matter of this GUARANTY, and that he/she executes such guaranty in the normal course of business. GUARANTOR acknowledges that he/she has had the opportunity to discuss the matter with independent legal counsel of his/her choosing and fully understand all or that legal terms, conditions and implications hereof.

This agreement shall inure to the benefit of "IQT", its successors and assigns, and the signees of any credit hereby guaranteed. It shall bind GUARANTOR(S) his/her heirs, legal representatives and assigns.

GUARANTOR hereby agrees upon demand to reimburse IQT for all expenses, collection charges, court costs, and actual attorney's fees incurred in endeavoring to collect, enforce or due to GUARANTOR's failure to comply with any of the foregoing against BUYER or GUARANTOR or any other person or concerned liable thereon; for all of which, with interest at the highest lawful contract rate after due until paid, GUARANTOR hereby agrees to be directly, unconditionally, and primarily liable, jointly and severally, with the BORROWER, and agrees that the same may be recovered in the same or separate actions brought to recover the principal indebtedness. GUARANTOR expressly agrees that a sum equal to thirty five percent (35%) of the outstanding indebtedness due and owing to IQT under this Guaranty Agreement, shall constitute a reasonable attorney's fee.

All acts and transactions hereunder and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of California. GUARANTOR agrees that venue in any cause of action hereunder shall be in the Central District of the Superior Court, County of Los Angeles, State of California.

GUARANTOR and CUSTOMER Acknowledge that "IQT" makes fabrics and t-shirts based on orders from customers. Any cancelation or returns are subject to 25% restocking fee. Short shipment, over shipment or partial order is allowed in all shipments. Customer/Guarantor has read and agreed to all "terms and conditions" of IQT purchase agreement. Part of conditions are printed on the bottom of all "IQT" invoices. All Merchandise are sold "as is" UNLESS SPECIFIED and no returns or charge backs will be accepted without written authorization by seller. Any return is subject to 25% restocking fee. All past dues are subject to Interest and all collections are subject to lawyer fees.

Maximum liability of IQ Textile ind.inc is limited to the cost of merchandise sold by IQ Textile ind.inc.

All orders from customers are subject to cancelations or price increase by "IQT" based on international and market prices up to before shipping. This personal guarantee is transferable.

Please give us a copy of drivers license

NAME OF GUARANTORDATE SIGNATURE

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