

FERRO INDUSTRIES, INC.

35200 UNION LAKE ROAD, HARRISON TOWNSHIP, MI 48045
586-792-6001 FAX: 586-792-6006 email:ferroind@aol.com www.ferroind.com

The following rules govern the extension of credit to customers of Ferro Industries, Inc.

It is the policy of Ferro Industries, Inc. to extend reasonable amounts of credit to individuals or companies, who, in the opinion of Ferro Industries, Inc., are credit worthy, are committed to the prompt payment of invoices as they become due and who agree to abide by these guidelines.

1. No customers will be sold on an open account basis without a properly completed credit application as well as any other proof of credit worthiness as may be required by Ferro Industries, Inc.
2. Customers to whom an open line of credit is issued will be notified in writing of the credit amount that is available.
3. Payments will be made in accordance with the terms and conditions stated on each invoice.
4. No open account shipments will be made that will cause an account to exceed an established credit limit.
5. A past due amount may cause an account to revert to immediate payment in advance status at the discretion of Ferro Industries, Inc. until the past due amount is paid. In such cases, Ferro Industries, Inc. will retain any applicable discount for application to the past due balance. Disputed invoices will be exempted from this condition providing that our accounts receivable department has been notified in writing of the dispute and its reason.
6. A service charge of 1.5% per month will be added to all past due invoices, especially those that require legal action.
7. Ferro Industries, Inc. may request from time to time reasonable evidence of continuing credit worthiness after an account has been opened. Such evidence will usually be in the form of annual financial statements and/or trade and bank references. Failure to provide Ferro Industries, Inc. with such information as may be required could result in an account losing its open credit status.
8. Changes in an account's business status or structure must be reported promptly to Ferro Industries, Inc. since the original credit applicants will remain liable for payment for shipments made to an account until such notification is received. Formal notification of changes such as incorporation, changes in ownership or other restructuring which may alter the liability of a customer or its owners must be received in writing.
9. In the event of non-payment of an obligation due Ferro Industries, Inc. and the institution of legal proceedings pursuant to its collection, the individual, firm or corporation to whom credit was extended agrees to bear the cost of such proceeding. Including attorney's fees together with court costs and accrued service charges from the due date of the item(s) in question until the date of final payment.

The undersigned warrants that he/she is an officer or principal of the company which is requesting credit from Ferro Industries, Inc., that he/she had read and understands the preceding Credit Regulations and agrees to abide by the terms and conditions outlined in said Regulations.

FII Rep.: _____

Company Name: _____

Signature: _____

Title: _____

Date: _____