

# Business Credit Application



## CREDIT REQUEST

Product Type	Interest Rate <small>(circle one)</small>	# Months	Amount Requested
<input type="checkbox"/> Business Preferred Line of Credit			\$ _____ (see comment below)
<input type="checkbox"/> Business Preferred Term Loan	Fixed or Variable	_____ (12 to 60)	\$ _____ (see comment below)
<input type="checkbox"/> Business "Cash Reserve" Line of Credit			\$ _____ (\$10,000 maximum)

**Please Note: Aggregate commercial loan commitments, including this request, cannot exceed \$50,000. For unsecured line of credit requests contact your local branch.**

Eastern Bank Business Checking Account Number <input type="text"/>	<ul style="list-style-type: none"> <li>• Minimum monthly payments will automatically be deducted from this account.</li> <li>• If you selected a Cash Reserve or Preferred Line of Credit, it will be linked to this account.</li> </ul>
---	--

Expected Use of funds

## COMPANY INFORMATION

Business Name		Tax Identification Number		Telephone ( ) -	
Business Address		City		State Zip	
E-Mail Address			Fax:		
<b>Please Check One</b>	<input type="checkbox"/> Regular Corporation	<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Non-Profit Organization	<input type="checkbox"/> S Corporation	<input type="checkbox"/> Partnership
	<input type="checkbox"/> Limited Liability Company <input type="checkbox"/> Other (Explain): _____				
Date Ownership Began	# of Employees	Describe Nature of Business (e.g. manufacturer, retailer, attorney)		NAICS Code (if available)	
<b>Company Performance:</b>	Has the company operated at a loss during the past 3 years? <input type="checkbox"/> Yes <input type="checkbox"/> No Has the company or any of its principals declared bankruptcy in the past 10 years? <input type="checkbox"/> Yes <input type="checkbox"/> No How much do you owe in past due taxes for prior years? _____ Is the business or any of its principals currently involved in any pending or ongoing litigation? <input type="checkbox"/> Yes <input type="checkbox"/> No				
Primary Bank Business Relationship		Total Cash in Bus. Acct. \$		Business Net Sales \$	
Bus. Net Profit \$		Total Business Assets \$		Total Business Liabilities \$	
Total Business Net Worth \$		Total Commercial Line Balance \$		Monthly Payments \$	
		Total Commercial Loan Balance \$		Monthly Payments \$	

## OWNER INFORMATION

*All partners, stockholders or proprietors must complete the section below. If additional space is necessary, please use a separate sheet of paper.*

Name				Title			
Home Address				Payment			
				<input type="checkbox"/> Own <input type="checkbox"/> Rent \$			
City	State	Zip	Home Telephone				
Percentage Owned	Years with Firm	Social Security Number	Date of Birth				
Are you a U.S. citizen: <input type="checkbox"/> Yes <input type="checkbox"/> No							
If no, what kind of visa or alien registration do you have? _____							
What is its expiration date: _____							
Drivers License Number & State		Personal Cash		Monthly Payments			
Annual Income		Personal Assets		Personal Liabilities			

Branch # \_\_\_\_\_ (Bank Use Only)

## BUSINESS PREFERRED LINE OF CREDIT AGREEMENT

This Agreement governs the Borrower's Preferred Line of Credit Account with Eastern Bank (the "Bank" or "we" or "us"). By causing the Bank's commitment letter (the "Commitment Letter" or "Letter") for this Account to be signed on its behalf, the Borrower identified in the Letter (the "Borrower" or "you") agrees to be bound by all of the terms and conditions contained in this Agreement. The Agreement may be changed by the Bank if due notice is given to the Borrower.

**COMMERCIAL PURPOSE OF CREDIT.** Borrower understands that this is a commercial credit facility. Borrower represents and warrants that no credit advanced under this Agreement will be used for personal, family, or household purposes.

**THE CREDIT LINE.** The maximum amount of principal, interest, and other charges that you can owe us from time to time on this Account, which is called your "credit line," will be stated in the Commitment Letter. We may increase or decrease your credit line at any time and for any reason and, if we change it, we will notify you in writing by regular mail sent to your address shown on our records. You may request that we increase or decrease your credit line, but no new limit will be effective for your Account unless we approve it.

You promise never to request a loan that, if made by us, would cause the unpaid balance of your Account to exceed your credit line. If you do request a loan that would exceed your credit line, we have no obligation to make it, nor are we obligated to pay any direct access check that is postdated or more than 6 months old. However, we may do so if we so choose. You agree to repay any amount in excess of your credit line immediately and without demand from us.

**HOW YOU BORROW MONEY.** We will loan you money in the following ways, provided (a) you are not then in default under this Agreement; and (b) we have not terminated your right to receive advances:

**Direct Access Checks:** We will provide you with Direct Access Checks, which look like and are completed like checks drawn on a business checking account. Upon proper presentment to us of one of a Direct Access Checks that has been signed by a properly authorized signer, we will loan you the amount of the instrument. To be a properly authorized signer, the person must be identified as an authorized signer on the application for the Account (the "Application") or in a subsequent written notice to the Bank. We will not certify a Direct Access Check.

**Overdraft:** If you have requested overdraft protection for a business checking account ("DDA") identified in the Application and we receive a draft, ACH debit, ATM transaction, withdrawal request, or other order for payment drawn against that DDA at a time when there are insufficient available funds in the account to make the payment, we will advance funds to that DDA so that there are sufficient funds to pay the item.

**Telephone:** If you call us on the telephone and request an advance, we will deposit the amount of the advance in your DDA.

**YOUR PAYMENT PROMISE.** You promise to pay us all amounts that you borrow under this Agreement plus the applicable interest and other charges, ON DEMAND. Prior to any demand, you agree to make monthly payments as provided for in this Agreement.

**DEMAND.** Whether or not you are in default, we may terminate your right to receive advances at any time. If we terminate your right to receive advances, we may (but are not required to) also demand immediate payment of the entire balance of principal, interest, and other charges.

**MONTHLY PAYMENTS.** If there is a balance remaining in your Preferred Line of Credit Account at the end of any billing cycle and we have not demanded immediate payment of the entire balance of your Account, you must pay us at least the minimum payment shown on your statement by the payment due date shown on the statement. The amount of the minimum payment will be the sum of: (1) all accrued interest in the Account; plus (2) all other charges posted to your Account during the billing cycle; plus (3) the greater of (i) 2% of the principal balance of your Account as of the statement date or (ii) \$250; plus (4) any portion of your Account balance that exceeds your credit line; plus (5) any overdue payment. If the total balance of your Account is less than the payment amount computed as described in this section, your minimum payment will be the amount of the balance.

**HOW YOU MAKE PAYMENTS.** We will automatically pay your minimum payment amount for you on the payment due date from the business checking account identified on the Application (your "Payment Account") as long as there are sufficient funds in that account to make such payment.

If there are not sufficient funds in your Payment Account for us to make the payment automatically, you must make the payment in person at our offices or by mail. You may not request an advance on this Line of Credit to make the payment.

You may, of course, pay more than the minimum payment amount to reduce future interest charges. Any separate payment that you make will be in addition to the automatic payment that we will make for you.

We may accept late or partial payment, or checks marked "payment in full" or the like, without losing any of our rights under this Agreement. We may extend the time for any payment or delay enforcing our rights under this Agreement without losing them.

**INTEREST.** Interest accrues on each advance from the date of the advance until the date payment is credited at a variable rate of interest equal to Eastern Bank's prime rate as in effect from time to time, plus the number of percentage points ("margin") specified in the Commitment Letter.

We calculate interest for the billing cycle by multiplying each day's balance times a daily periodic rate and then totaling the results for all of the days in the billing cycle. The daily periodic rate is determined by dividing the annual interest rate in effect each day by the number of days in the year. The daily balances are determined by taking the beginning balance of your Account each day (excluding interest) and adding any Preferred Line of Credit advances or other charges and subtracting any payments or credits attributable to such advances or other charges and posted to your Account that day.

**PAYMENT IN FULL.** If you wish to pay the balance of your Line of Credit Account in full, you should contact us to determine the balance of your Account as of the day you intend to make the payment (the "Pay-Off Balance"). Since interest accrues every day on amounts outstanding, the Pay-Off Balance changes every day and you will only succeed in paying your balance in full if your payment includes all interest that has accrued through the date of payment.

**LATE FEE.** If you fail to make any payment (including a payment in full, if we have demanded it) within 15 days following the payment due date, you will be charged a late fee equal to 5% of the overdue payment.

**OTHER CHARGES.** You will be charged a \$100 annual renewal fee on each anniversary of this Agreement. In addition, we may, but do not have to, charge you: (1) a \$29 overlimit charge whenever we receive a request for an advance (whether by ATM, Direct Access Check, or otherwise) that does or would cause your Account balance to exceed your credit line, whether or not we make the advance; (2) a \$25 returned check charge whenever you present an instrument to us for payment on your Account that is returned unpaid for any reason; and (3) a \$25 stop payment fee whenever you ask us to stop payment on a Direct Access Check.

**SET-OFF.** We have a right of set-off if you are in default. Having a right of set-off means we can, but do not have to, apply any balance in any account you maintain with us to reduce or extinguish your debt.

**DEFAULT.** Without changing the demand nature of your payment obligation, or limiting our ability to demand payment of your Account for any reason or for no reason, you will be in default if any of the following events occurs:

- (a) you fail to make any payment when due;
- (b) you fail to maintain a sufficient balance in your Payment Account for us to make an automatic payment;
- (c) you fail to meet any of your other obligations under this Agreement (including, without limitation, your promise not to exceed your credit line) or under any other Agreement you have with the Bank;
- (d) any guarantor dies;
- (e) you make an assignment for the benefit of creditors, or if bankruptcy proceedings are commenced by or against you; or
- (f) you suffer a material adverse change in your financial circumstances.

If you are in default, we can suspend or terminate your right to receive additional loan advances and declare the entire balance of your Account due and payable at once without notice or demand. If we do not require that you pay the balance of your Account at once, we may reinstate your right to receive advances, in the sole exercise of our discretion, if you cure your default and request reinstatement. Even if we suspend or terminate your right to receive advances, you are still obligated to repay amounts you owe under this Agreement.

**FINANCIAL INFORMATION.** At our request from time to time, you will provide the Bank with updated financial information and agree that we may request updated information regarding you from credit bureaus and others.

**SECURITY INTEREST AND COLLATERAL.** As security for the performance of its obligations under this Agreement, the Borrower hereby assigns, grants, and pledges to the Bank a lien and security interest in all of Borrower's right, title and interest in all of its assets, whether now owned or hereafter existing or acquired, including, without limitation, the following: (i) all equipment in all forms, wherever located, all fixtures and all parts thereof and accessories thereto; (ii) all inventory in all of its forms, wherever located; (iii) all goods in which the Borrower has an interest and all accessions thereto; (iv) all accounts, contract rights, chattel paper, instruments, deposit accounts, general intangibles and other obligations of any kind, (all of the foregoing "Collateral") and all proceeds of any of the foregoing Collateral including, without limitation, payments under indemnities, warranties, guaranties, or insurance, whether or not the Bank is named as loss payee.

The lien and security interest in the foregoing Collateral secures the payment and performance of all obligations of the Borrower under the Agreement and under any other obligations of the Borrower to the Bank, even if such obligations are unenforceable or not allowed by reason of the existence of any bankruptcy, reorganization, or similar proceedings involving the Borrower.

The Borrower hereby irrevocably authorizes the Bank, at any time and from time to time, to file any financing statements and amendments thereto evidencing the security interest of the Bank in the Collateral granted hereunder.

**WAIVER.** You waive presentment, notice of dishonor, protest, notice of nonpayment, demand, and all other notices of any kind. You also waive personal service of process and papers in connection with any action or proceeding in any court, agreeing that such service may be made by certified mail addressed to you at the most recent address we have for you in our records.

**COLLECTION.** If we incur expenses (including, without limitation, court costs and reasonable lawyers' fees) in attempting to collect any amount owed by you under this Agreement, you agree to pay us these expenses to the extent permitted by law.

**EVIDENCE.** If we go to court for any reason, a copy or microfilm of any personal check, monthly statement, or other document will be admissible evidence to prove what you owe us or that a transaction has taken place. The copy or microfilm will have the same validity as the original.

**WAIVER OF JURY TRIAL.** BANK AND BORROWER HEREBY VOLUNTARILY, INTENTIONALLY, AND IRREVOCABLY WAIVE TRIAL BY JURY IN ANY PROCEEDING INSTITUTED BY OR AGAINST EITHER PARTY PURSUANT TO OR ARISING OUT OF THIS AGREEMENT OR ANY AGREEMENT NOW OR HEREAFTER SECURING OR RELATED TO THIS AGREEMENT.

**WAIVER OF PREJUDGMENT REMEDIES.** BORROWER (i) ACKNOWLEDGES THAT THIS AGREEMENT EVIDENCES A COMMERCIAL TRANSACTION; (ii) TO THE EXTENT PERMITTED BY APPLICABLE LAW, WAIVES ANY RIGHT BORROWER MAY HAVE TO PRIOR NOTICE OF ANY COURT HEARING ON THE RIGHT OF BANK TO ANY REMEDY OR COMBINATION OF REMEDIES THAT ENABLES BANK, BY WAY OF ATTACHMENT, FOREIGN ATTACHMENT, GARNISHMENT, REPLEVIN, OR OTHER PREJUDGMENT PROCESS, TO DEPRIVE BORROWER OF ANY OF BORROWER'S PROPERTY AT ANY TIME PRIOR TO FINAL JUDGMENT IN ANY LITIGATION INSTITUTED IN CONNECTION WITH THIS AGREEMENT.

**TRANSFER OR ASSIGNMENT.** Your rights under this Agreement belong only to you and may not be transferred or assigned. Your obligations are, however, binding on any successors or legal representatives. The Bank may assign its rights or delegate its obligations under this Agreement to any third party.

**AMENDMENTS.** We may at any time amend this Agreement by mailing a written notice of the change to you. Any such amendment shall apply to debts then owing and thereafter incurred by you, unless we provide otherwise in the notice of amendment.

**CLOSING YOUR ACCOUNT.** We have the right to close your Account at any time effective upon our mailing you written notice of our decision to close it. In the event we close your Account, your obligation to repay amounts we have loaned you plus interest as provided under this Agreement as amended from time to time continues. You have the right at any time to request in writing that we not make any future loans. You also have the right to close your Account entirely if it has a zero balance by delivering to us a written request. If your Account is closed by you or us, you agree to stop using your Account. Any request or notice from you will not be effective until we receive it.

**NOTICES.** Any notice we send you will be considered effective when it is delivered personally to you or mailed, postage prepaid, to the last address we have for you in our records. Notice from you will be considered effective when we receive it at the address noted on the most recent billing statement we have sent you.

**LENDER LIABILITY.** We shall not be liable for any loss sustained by any party resulting from any action, omission, or failure to act by the Bank, whether with respect to the exercise or enforcement of the Bank's rights or remedies under this Agreement or otherwise, unless such loss is caused by the actual willful misconduct of the Bank conducted in bad faith. **IN NO EVENT SHALL THE BANK EVER BE LIABLE FOR CONSEQUENTIAL OR PUNITIVE DAMAGES, ANY RIGHT OR CLAIM THERETO BEING EXPRESSLY AND UNCONDITIONALLY WAIVED.**

**WHAT LAW APPLIES.** This Agreement is governed by federal law and by the law of the Commonwealth of Massachusetts. If the terms of this Agreement conflict with any existing or future law, they shall be deemed modified to the extent necessary to comply with such law. The validity of the remaining terms shall not be affected.

## BUSINESS PREFERRED TERM LOAN AGREEMENT

**PAYMENT PROMISE.** By signing the commitment letter for this term loan (the "Commitment Letter"), or causing such Letter to be signed on its behalf, the person or entity identified in such Letter as "Borrower" promises to pay to the order of EASTERN BANK (the "Bank"), at 195 Market Street, Lynn, Massachusetts 01901, or at such other location as the Bank may designate from time to time, the principal amount specified in the Commitment Letter, together with interest on the unpaid daily principal balance at the rates of interest provided below (computed based on the number of days in the year), until the day this loan is paid in full.

**INTEREST.** Interest shall accrue at a fixed or variable rate of interest, as specified in the Commitment Letter. If the interest rate is variable, the rate shall be adjusted on the first business day of each month, based on Eastern Bank's Base Lending Rate in effect that day plus a certain number of percentage points (a "margin") specified in the Commitment Letter.

After maturity (whether by acceleration after default or otherwise), interest shall accrue at an annual rate that is three percentage points (3%) higher than the rate otherwise applicable under this Loan Agreement.

In no event shall interest payable hereunder exceed the highest rate permitted by applicable law. To the extent any interest received by the Bank exceeds the maximum amount permitted, such payment shall be credited to principal and any excess remaining after full payment of principal shall be refunded to Borrower.

**PAYMENTS.** Payments of principal and interest, in the amounts specified in the Commitment Letter, are due on the same day of each month, commencing on the date specified in the Commitment Letter. All amounts not sooner paid shall be due and payable on the Maturity Date specified in the Commitment Letter.

Each monthly payment will automatically be debited from the business checking account identified on Borrower's loan application (the "Payment Account") on the payment due date as long as there are sufficient funds in that account to make the payment.

If there are not sufficient funds in the Payment Account to cover the payment, Borrower must make the payment in person at the Bank's offices or by mail.

The Bank may accept late or partial payment, or checks marked "payment in full" or the like, without losing any of its rights under this Agreement. The Bank may extend the time for any payment or delay enforcing its rights under this Agreement without losing them.

**COMMERCIAL PURPOSE OF CREDIT.** Borrower understands that this is a commercial credit facility. Borrower represents and warrants that no credit advanced under this Agreement will be used for personal, family, or household purposes.

**LATE CHARGE.** The Borrower shall pay a late charge equal to five percent (5%) of any payment not made within 15 days of its due date.

**PREPAYMENT.** This Loan may be prepaid in whole or in part at any time without penalty.

**RETURNED CHECK CHARGE.** The Borrower shall pay a \$25 returned check charge whenever a check presented as payment on this account is returned unpaid for any reason.

**EVENTS OF DEFAULT.** Upon the occurrence of any one or more of the following events (each, an "Event of Default"), the obligations under this Loan Agreement shall become immediately due and payable without further notice or demand: (i) Borrower's failure to make any payment due by its due date; (ii) Borrower's failure to maintain a sufficient balance in the Payment Account to make each monthly payment; (iii) Borrower's failure to pay or perform any other obligation, now existing or hereafter arising, to the Bank or any holder hereof within ten (10) days after written notice; (iv) if any representation, warranty, statement or certificate made to the Bank by Borrower proves to have been untrue in any material respect; (v) the death or dissolution of Borrower; (vi) with respect to Borrower, the commencement, whether voluntary or involuntary, of a case under the United States Bankruptcy Code or any other proceeding or action seeking reorganization, liquidation, dissolution or other relief under federal or state bankruptcy or insolvency statutes or similar laws, or seeking the appointment of a receiver, trustee or custodian for Borrower or all or a part of its assets which such case or proceeding is not dismissed within ninety (90) days; (vii) if Borrower makes an assignment for the benefit of creditors, or admits its inability to pay its debts as they mature; or (viii) any such event occurs with respect to any guarantor or endorser hereof.

**SECURITY.** This Loan is unsecured.

**RIGHT OF OFFSET.** If Borrower is in default under this Loan Agreement, the Bank may, but is not obligated to, apply any balance in any account Borrower maintains with the Bank to reduce or extinguish this debt.

**FINANCIAL INFORMATION.** At the Bank's request from time to time, Borrower will provide the Bank with updated financial information and agrees that the Bank may request updated information regarding Borrower from credit bureaus and others.

**COLLECTION COSTS.** If there is a default under this Loan Agreement, Borrower shall pay all costs of collection, including reasonable attorneys' fees, incurred by the Bank to enforce the Borrower's obligations.

**WAIVER.** Borrower and all guarantors and endorsers hereby waive presentment, demand, notice, protest, and all other demands and notices in connection with the delivery, acceptance, performance and enforcement of this Loan Agreement, and assent to extensions of the time of payment or forbearance or other indulgence without notice. No delay or omission of the Bank in exercising any right or remedy hereunder shall constitute a waiver of any such right or remedy. Acceptance by the Bank of any payment after demand shall not be deemed a waiver of such demand. A waiver on one occasion shall not operate as a bar to or waiver of any such right or remedy on any future occasion.

**EVIDENCE.** If the Bank goes to court for any reason, a copy or microfilm of any personal check, monthly statement, or other document will be admissible evidence to prove what Borrower owes. The copy or microfilm will have the same validity as the original.

**WAIVER OF JURY TRIAL.** BANK AND BORROWER HEREBY VOLUNTARILY, INTENTIONALLY, AND IRREVOCABLY WAIVE TRIAL BY JURY IN ANY PROCEEDING INSTITUTED BY OR AGAINST EITHER PARTY PURSUANT TO OR ARISING OUT OF THIS AGREEMENT OR ANY AGREEMENT NOW OR HEREAFTER SECURING OR RELATED TO THIS AGREEMENT.

**WAIVER OF PREJUDGMENT REMEDIES.** BORROWER (i) ACKNOWLEDGES THAT THIS AGREEMENT EVIDENCES A COMMERCIAL TRANSACTION; (ii) TO THE EXTENT PERMITTED BY APPLICABLE LAW, WAIVES ANY RIGHT BORROWER MAY HAVE TO PRIOR NOTICE OF ANY COURT HEARING ON THE RIGHT OF BANK TO ANY REMEDY OR COMBINATION OF REMEDIES THAT ENABLES BANK, BY WAY OF ATTACHMENT, FOREIGN ATTACHMENT, GARNISHMENT, REPLEVIN, OR OTHER PREJUDGMENT PROCESS, TO DEPRIVE BORROWER OF ANY OF BORROWER'S PROPERTY AT ANY TIME PRIOR TO FINAL JUDGMENT IN ANY LITIGATION INSTITUTED IN CONNECTION WITH THIS AGREEMENT.

**LENDER LIABILITY.** **The Bank shall not be liable for any loss sustained by any party resulting from any action, omission, or failure to act, whether with respect to the exercise or enforcement of the Bank's rights or remedies under this Agreement or otherwise, unless such loss is caused by the actual willful misconduct of the Bank conducted in bad faith. IN NO EVENT SHALL THE BANK EVER BE LIABLE FOR CONSEQUENTIAL OR PUNITIVE DAMAGES, ANY RIGHT OR CLAIM THERETO BEING EXPRESSLY AND UNCONDITIONALLY WAIVED.**

**WHAT LAW APPLIES.** This Agreement is governed by federal law and by the law of the Commonwealth of Massachusetts. If the terms of this Agreement conflict with any existing or future law, they shall be deemed modified to the extent necessary to comply with such law. The validity of the remaining terms shall not be affected.

## BUSINESS CASH RESERVE AGREEMENT

This Agreement governs the Borrower's Business Cash Reserve Account with Eastern Bank (the "Bank" or "we" or "us"). By causing the Bank's commitment letter (the "Commitment Letter" or "Letter") for this Account to be signed on its behalf, the Borrower identified in the Letter (the "Borrower" or "you") agrees to be bound by all of the terms and conditions contained in this Agreement. The Agreement may be changed by the Bank if due notice is given to the Borrower.

**COMMERCIAL PURPOSE OF CREDIT.** Borrower understands that this is a commercial credit facility. Borrower represents and warrants that no credit advanced under this Agreement will be used for personal, family, or household purposes.

**THE CREDIT LINE.** The maximum amount of principal, interest, and other charges that you can owe us from time to time on this Account, which is called your "credit line," will be stated in the Commitment Letter. We may increase or decrease your credit line at any time and for any reason and, if we change it, we will notify you in writing by regular mail sent to your address shown on our records. You may request that we increase or decrease your credit line, but no new limit will be effective for your Account unless we approve it.

You promise never to request a loan that, if made by us, would cause the unpaid balance of your Account to exceed your credit line. If you do request a loan that would exceed your credit line, we have no obligation to make it. However, we may do so if we so choose. You agree to repay any amount in excess of your credit line immediately and without demand from us.

**HOW YOU BORROW MONEY.** So long as (a) you are not in default under this Agreement and (b) we have not terminated your right to receive advances, we will advance funds to the business checking account ("DDA") you specified on the application for this Account (the "Application") whenever we receive a draft, ACH debit, ATM transaction, withdrawal request, or other order for payment drawn against the DDA for which there are insufficient available funds in that account. The amount of the loan advance will be the difference between the available funds in the DDA and the amount needed to pay the item.

**YOUR PAYMENT PROMISE.** You promise to pay us all amounts that you borrow under this Agreement plus the applicable interest and other charges, ON DEMAND. Prior to any demand, you agree to make monthly payments as provided for in this Agreement.

**DEMAND.** Whether or not you are in default, we may terminate your right to receive advances at any time. If we terminate your right to receive advances, we may (but are not required to) also demand immediate payment of the entire balance of principal, interest, and other charges.

**MONTHLY PAYMENTS.** If there is a balance remaining in your Business Cash Reserve Account at the end of any billing cycle and we have not demanded immediate payment of the entire balance of your Account, you must pay us at least the minimum payment shown on your statement by the payment due date shown on the statement. The amount of the minimum payment will be the sum of: (1) all accrued interest in the Account; plus (2) all other charges posted to your Account during the billing cycle; plus (3) any portion of your Account balance that exceeds your credit line; plus (4) any overdue payment.

**HOW YOU MAKE PAYMENTS.** We will automatically pay your minimum payment amount for you on the payment due date from the business checking account identified on the Application (your "Payment Account") as long as there are sufficient funds in that account to make such payment.

If there are not sufficient funds in your Payment Account for us to make the payment automatically, you must make the payment in person at our offices or by mail. You may not request an advance on this Account to make the payment.

You may, of course, pay more than the minimum payment amount to reduce future interest charges. Any separate payment that you make will be in addition to the automatic payment that we will make for you.

We may accept late or partial payment, or checks marked "payment in full" or the like, without losing any of our rights under this Agreement. We may extend the time for any payment or delay enforcing our rights under this Agreement without losing them.

**INTEREST.** Interest accrues on each advance from the date of the advance until the date payment is credited at a fixed rate of interest, as stated in your Commitment Letter.

We calculate interest for the billing cycle by multiplying each day's balance times a daily periodic rate and then totaling the results for all of the days in the billing cycle. The daily periodic rate is determined by dividing the annual interest rate by the number of days in the year. The daily balances are determined by taking the beginning balance of your Account each day (excluding interest) and adding any Business Cash Reserve advances or other charges and subtracting any payments or credits attributable to such advances or other charges and posted to your Account that day.

**PAYMENT IN FULL.** If you wish to pay the balance of your Business Cash Reserve Account in full, you should contact us to determine the balance of your Account as of the day you intend to make the payment (the "Pay-Off Balance"). Since interest accrues every day on amounts outstanding, the Pay-Off Balance changes every day and you will only succeed in paying your balance in full if your payment includes all interest that has accrued through the date of payment.

**LATE FEE.** If you fail to make any payment (including a payment in full, if we have demanded it) within 15 days following the payment due date, you will be charged a late fee equal to 5% of the overdue payment.

**OTHER CHARGES.** You will be charged a \$25 annual renewal fee on each anniversary of this Agreement. In addition, we may, but do not have to, charge you: (1) a \$29 overlimit charge whenever we receive a request for an advance (whether by ATM, check, or otherwise) that does or would cause your Account balance to exceed your credit line, whether or not we make the advance; and (2) a \$25 returned check charge whenever you present an instrument to us for payment on your Account that is returned unpaid for any reason.

**SET-OFF.** We have a right of set-off if you are in default. Having a right of set-off means we can, but do not have to, apply any balance in any account you maintain with us to reduce or extinguish your debt.

**DEFAULT.** Without changing the demand nature of your payment obligation, or limiting our ability to demand payment of your Account for any reason or for no reason, you will be in default if any of the following events occurs:

- (a) you fail to make any payment when due;

- (b) you fail to maintain a sufficient balance in your Payment Account for us to make an automatic payment;
- (c) you fail to meet any of your other obligations under this Agreement (including, without limitation, your promise not to exceed your credit line) or under any other Agreement you have with the Bank;
- (d) any guarantor dies;
- (e) you make an assignment for the benefit of creditors, or if bankruptcy proceedings are commenced by or against you; or
- (f) you suffer a material adverse change in your financial circumstances.

If you are in default, we can suspend or terminate your right to receive additional loan advances and declare the entire balance of your Account due and payable at once without notice or demand. If we do not require that you pay the balance of your Account at once, we may reinstate your right to receive advances, in the sole exercise of our discretion, if you cure your default and request reinstatement. Even if we suspend or terminate your right to receive advances, you are still obligated to repay amounts you owe under this Agreement.

**FINANCIAL INFORMATION.** At our request from time to time, you will provide the Bank with updated financial information and agree that we may request updated information regarding you from credit bureaus and others.

**WAIVER.** You waive presentment, notice of dishonor, protest, notice of nonpayment, demand, and all other notices of any kind. You also waive personal service of process and papers in connection with any action or proceeding in any court, agreeing that such service may be made by certified mail addressed to you at the most recent address we have for you in our records.

**COLLECTION.** If we incur expenses (including, without limitation, court costs and reasonable lawyers' fees) in attempting to collect any amount owed by you under this Agreement, you agree to pay us these expenses to the extent permitted by law.

**EVIDENCE.** If we go to court for any reason, a copy or microfilm of any personal check, monthly statement, or other document will be admissible evidence to prove what you owe us or that a transaction has taken place. The copy or microfilm will have the same validity as the original.

**WAIVER OF JURY TRIAL.** BANK AND BORROWER HEREBY VOLUNTARILY, INTENTIONALLY, AND IRREVOCABLY WAIVE TRIAL BY JURY IN ANY PROCEEDING INSTITUTED BY OR AGAINST EITHER PARTY PURSUANT TO OR ARISING OUT OF THIS AGREEMENT OR ANY AGREEMENT NOW OR HEREAFTER SECURING OR RELATED TO THIS AGREEMENT.

**WAIVER OF PREJUDGMENT REMEDIES.** BORROWER (i) ACKNOWLEDGES THAT THIS AGREEMENT EVIDENCES A COMMERCIAL TRANSACTION; (ii) TO THE EXTENT PERMITTED BY APPLICABLE LAW, WAIVES ANY RIGHT BORROWER MAY HAVE TO PRIOR NOTICE OF ANY COURT HEARING ON THE RIGHT OF BANK TO ANY REMEDY OR COMBINATION OF REMEDIES THAT ENABLES BANK, BY WAY OF ATTACHMENT, FOREIGN ATTACHMENT, GARNISHMENT, REPLEVIN, OR OTHER PREJUDGMENT PROCESS, TO DEPRIVE BORROWER OF ANY OF BORROWER'S PROPERTY AT ANY TIME PRIOR TO FINAL JUDGMENT IN ANY LITIGATION INSTITUTED IN CONNECTION WITH THIS AGREEMENT.

**TRANSFER OR ASSIGNMENT.** Your rights under this Agreement belong only to you and may not be transferred or assigned. Your obligations are, however, binding on any successors or legal representatives. The Bank may assign its rights or delegate its obligations under this Agreement to any third party.

**AMENDMENTS.** We may at any time amend this Agreement by mailing a written notice of the change to you. Any such amendment shall apply to debts then owing and thereafter incurred by you, unless we provide otherwise in the notice of amendment.

**CLOSING YOUR ACCOUNT.** We have the right to close your Account at any time effective upon our mailing you written notice of our decision to close it. In the event we close your Account, your obligation to repay amounts we have loaned you plus interest as provided under this Agreement as amended from time to time continues. You have the right at any time to request in writing that we not make any future loans. You also have the right to close your Account entirely if it has a zero balance by delivering to us a written request. If your Account is closed by you or us, you agree to stop using your Account. Any request or notice from you will not be effective until we receive it.

**NOTICES.** Any notice we send you will be considered effective when it is delivered personally to you or mailed, postage prepaid, to the last address we have for you in our records. Notice from you will be considered effective when we receive it at the address noted on the most recent billing statement we have sent you.

**LENDER LIABILITY.** **We shall not be liable for any loss sustained by any party resulting from any action, omission, or failure to act by the Bank, whether with respect to the exercise or enforcement of the Bank's rights or remedies under this Agreement or otherwise, unless such loss is caused by the actual willful misconduct of the Bank conducted in bad faith. IN NO EVENT SHALL THE BANK EVER BE LIABLE FOR CONSEQUENTIAL OR PUNITIVE DAMAGES, ANY RIGHT OR CLAIM THERETO BEING EXPRESSLY AND UNCONDITIONALLY WAIVED.**

**WHAT LAW APPLIES.** This Agreement is governed by federal law and by the law of the Commonwealth of Massachusetts. If the terms of this Agreement conflict with any existing or future law, they shall be deemed modified to the extent necessary to comply with such law. The validity of the remaining terms shall not be affected.

## AGREEMENT OF BORROWER

By causing its duly authorized agent to sign below on its behalf, the "Borrower" identified below agrees that:

- Borrower is applying for a Business Preferred Line of Credit, Business Preferred Term Loan, or Business Cash Reserve Line of Credit, as specified in this Eastern Bank Credit Application (the "Application");
- all information in the Application is true and complete in all respects;
- Eastern Bank (the "Bank") is hereby authorized to verify any information (including tax information) provided in connection with the Application;
- the Bank may obtain credit information, including consumer credit reports, in connection with the Application and any updates, renewals, extensions and collection activity relating to Borrower's account;
- the Bank is authorized to provide information regarding its credit experience with the Borrower and Guarantor(s) to third parties;
- If the Bank elects to include the requested credit in the Bank's U.S. Small Business Administration ("SBA") Loan Program, the Bank may submit an application to the SBA on behalf of Borrower;
- the Application is the Bank's property, whether or not credit is granted;
- If the Bank approves the Application and issues a commitment letter, Borrower's (or Borrower's authorized agent's) countersignature on the commitment letter shall signify Borrower's agreement to be bound by the terms of the Preferred Line of Credit Agreement, Business Cash Reserve Agreement, or Term Loan Note, as applicable (the "Loan Agreement") provided to Borrower with this Application.

\_\_\_\_\_  
Business Name of Borrower

\_\_\_\_\_  
Signature of Authorized Agent

\_\_\_\_\_  
Printed Name of Authorized Agent

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title of Authorized Agent

---

---

### USA PATRIOT Act Notice

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT

To help the governing fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means for you: When you open an account, we will ask your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

---

---

### Fair Credit Reporting Act Notice

Under the federal Fair Credit Reporting Act, Eastern Bank and its affiliates (which include Allied American Insurance Company) may share information regarding the Borrower, its authorized agents, any guarantor, this loan, and any other account relationship. We may share information you provided to us (such as on the Application), information we obtained from third parties (such as your credit report), information regarding our experience with you (such as payment history), and other non-credit-related information.

If you prefer, you may instruct us not to share credit-related information we obtained from you or a third party among our affiliates. Simply mail a written request, with your name, address, and account number to Eastern Bank, Small Business Banking, EP4-20, 195 Market Street, Lynn, Massachusetts 01901. If you have a joint account, a request by either accountholder will apply to the entire account.

---

---

## AGREEMENT OF GUARANTOR

Each person signing below (jointly and severally, if more than one, the "Guarantors") agrees that:

- all information in the Eastern Bank Credit Application (the "Application") is true and complete in all respects;
- Eastern Bank (the "Bank") is hereby authorized to verify any information (including tax information) provided in connection with the Application;
- the Bank may obtain credit information, including consumer credit reports, regarding the Borrower and Guarantors in connection with the Application and any updates, renewals, extensions and collection activity relating to Borrower's account;
- the Bank is authorized to provide information regarding its credit experience with the Borrower and Guarantors to third parties;
- the Application is the Bank's property, whether or not credit is granted; and
- If the Bank approves the Application, the Guarantors shall be bound by the terms of the Personal Guaranty provided to Guarantors with this Application. **No further signature by Guarantors is required.**

\_\_\_\_\_  
Signature of Guarantor

\_\_\_\_\_  
Signature of Guarantor

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

---

---

### Personal Guaranty

In consideration of Eastern Bank (the "Bank") extending credit to the Borrower identified in the Agreement of Borrower (the "Borrower"), the person(s) signing the Agreement of Guarantor above (each, a "Guarantor") unconditionally guarantees to Bank and Bank's successors and assigns, payment and performance of all present and future obligations, liabilities and undertakings of Borrower to Bank of every kind, nature and description, when and as due, whether now existing or hereafter arising, and whether consisting of obligations to pay money or to perform Borrower's obligations to Bank under all present and future agreements of Borrower in favor of Bank (collectively, the "Obligations"). Guarantor's liability hereunder shall be unlimited in amount. Notice of acceptance of, and action taken and advances made by Bank from time to time in reliance on, this Guaranty are hereby waived, and this Guaranty shall operate as a continuing and absolute guaranty until thirty (30) business days after actual receipt by Bank of written notice of revocation sent to Bank at 195 Market Street, EP4-20, Lynn, Massachusetts 01901, Attn: Small Business Banking (which notice shall not affect any obligation of Guarantor existing at the time of such revocation). Guarantor acknowledges that Guarantor's liability hereunder shall be effective immediately. Guarantor acknowledges that Commitment Letters, loan agreements, security agreements and other documents relating to the Obligations, and such modifications of the foregoing as Bank shall issue from time to time, will not be sent to Guarantor by Bank, but only sent to Borrower through whom Guarantor will obtain copies as desired. Guarantor waives all requirements of notice, demand, presentment or protest, all other defenses that may be available to a surety, and any right Guarantor may have to require Bank first to proceed against Borrower or any other person or entity, or first to realize on any security held by Bank before proceeding against Guarantor hereunder. Guarantor waives all rights of setoff, subrogation or other rights arising from payment or other performance hereunder until the Obligations shall have been paid in full. Guarantor's liability hereunder shall not be affected or impaired by Bank's granting time to Borrower or by any other indulgence granted by Bank to Borrower, or by Bank's heretofore, now, or hereafter acquiring, releasing or modifying any guaranty from any other person or entity, or by substitution, exchange, or release of collateral for any obligations, or by any action or failure of action by Bank with respect to any collateral, rights or other guaranties which Bank may now or hereafter hold. Guarantor agrees that, if any payment from Guarantor or Borrower to Bank is subsequently required to be repaid to a receiver, bankruptcy trustee or any other party, Guarantor's obligation to make such payments to Bank shall be revived as if such payment had not been made. If Borrower has no legal existence, or if any of the Obligations shall become irrecoverable from Borrower by operation of law, or if the Obligations shall be reduced to zero, or if any collateral or other guaranty shall be found invalid, Guarantor shall be and remain liable hereunder. Guarantor hereby intends to waive any and all matters whatsoever whereby Guarantor would or might be released, in whole or in part, from the Obligations, it being the intent hereof that Guarantor at all times be and remain liable to Bank to the same extent as if Guarantor were jointly and severally liable with Borrower to Bank for the payment of all Obligations and performance of all terms and provisions of such Obligations. Guarantor agrees to pay the costs and expenses (including attorney's fees) of Bank in enforcing this Guaranty. Guarantor grants Bank the right of setoff against all deposits and property of Guarantor now or hereafter in the possession or control of Bank or any entity now or hereafter under the control of Bank without regard to the adequacy of collateral. This Guaranty shall be binding upon Guarantor's heirs, personal representatives and assigns. This Guaranty may be modified only by a written agreement signed by Bank. If this Guaranty is signed by two or more persons, the liability of all such persons shall be joint and several. This Guaranty is entered into under and shall be construed, interpreted, enforced and governed by the internal laws of Massachusetts, without regard to its conflicts of law principles. Bank may sell or assign this Guaranty to any person or entity and may disclose any information possessed by Bank regarding Guarantor to any such person or entity. Guarantor shall, promptly upon request from time to time, deliver to Bank such financial information as Bank shall reasonably request.

GUARANTOR IRREVOCABLY WAIVES TRIAL BY JURY IN ANY PROCEEDING OF ANY KIND, IN ANY COURT, ARISING OUT OF THIS GUARANTY, CONSENTS TO PERSONAL JURISDICTION OVER GUARANTOR IN ANY COURT IN THE COMMONWEALTH OF MASSACHUSETTS, AND WAIVES PERSONAL SERVICE OF PROCESS AND PAPERS IN CONNECTION WITH ANY ACTION OR PROCEEDING COMMENCED IN SUCH COURTS, AGREEING THAT SUCH SERVICE MAY BE MADE BY CERTIFIED MAIL AT THE ADDRESS OF GUARANTOR SET FORTH ON THE APPLICATION. TO THE EXTENT PERMITTED BY ANY STATE OR FEDERAL LAW, GUARANTOR WAIVES THE RIGHT TO PRIOR NOTICE OF AND A PRIOR COURT HEARING ON THE RIGHT OF ANY HOLDER OF ANY OBLIGATION TO ANY REMEDY OR COMBINATION OF REMEDIES THAT ENABLES SUCH HOLDER, BY WAY OF ATTACHMENT, FOREIGN ATTACHMENT, GARNISHMENT, REPLEVIN OR OTHER PREJUDGMENT PROCESS, TO DEPRIVE GUARANTOR OF ANY OF GUARANTOR'S PROPERTY AT ANY TIME PRIOR TO FINAL JUDGMENT IN ANY LITIGATION INSTITUTED IN CONNECTION WITH THIS GUARANTY.

GUARANTOR ACKNOWLEDGES THAT THIS GUARANTY IS PART OF A COMMERCIAL TRANSACTION.

This Guaranty is intended to take effect as an instrument under seal. This Guaranty constitutes the entire and final agreement between Guarantor and Bank with respect to the subject matter hereof.