

Greenheck Rep Extended Credit Policy

1. Overview:

Makes available to approved Reps an option for an increased line of credit at a low cost.

The Extended Credit line is intended to help facilitate more sales in support of the unique needs of our International Rep partners.

The cost of credit has both a **Risk** component and **Financing** Component. The increased sales will help both the Rep and Greenheck. Therefore, it is the intention of this policy that the Risk and Financing costs are shared by both the Rep and Greenheck.

2. Policy Terms and Conditions:

Greenheck Rep Extended Credit policy is to be reviewed annually and Greenheck has the right to modify the terms at Greenheck's sole discretion. If any advanced fees are paid by the Rep, those fees will be reimbursed commensurate with the applicability and timing of the cancelation.

This policy covers participating Reps for up to 120 days.

3. Yearly Rep Credit Risk Premium:

Participating Rep will be charged a mandatory fee per the following schedule.

Previous Year Intake	Premium Fee
\$0-\$99,999	Total Credit limit * 0.0065
\$100,000 - \$499,999	Total Credit Limit * 0.0045
\$500,000 – 1,999,999	Total Credit Limit * 0.0025
\$2,000,000 +	Exempt

This will be a one-time fee paid annually and is a prerequisite for participating in additional benefits of this program.

4. Temporary Credit Extension Program:

Should the business need arise, there will be an option available to temporarily increase the line of credit.

Greenheck will communicate the temporary credit extension Increase at the time of the request. Contact the Greenheck customer service team to obtain the available extension.	
<u>Fee:</u> Is 1.2% of the Increase for the 120 days, 0.3% for each month thereafter	<u>Example:</u> $0.012 * \$100,000 = \$1,200$ for 120 days and $0.003 * \$100,000 = \300 for each additional month thereafter

Paid at each occurrence when order is entered.

Approval for all requests will attempt to be made within 24 hours.

5. Billing Rep Financing Cost Program:

Option 1: Discounted Prepayment at beginning of each FY. No additional finance charges for the given credit limit will be incurred in that FY. (With the exception of **4. Temporary Credit Extension Program**.)

Prepay Financing Charges at beginning of FY	
<u>Fee:</u> 2.0% of annual total credit limit	<u>Example:</u> $0.02 * \$100,000$ total credit limit = \$2,000 annually

Option 2: Pay as You Go at Time of Order

Charge Financing Costs on a per job basis	
<u>Fee:</u> 1.0% per every 30 days after first 60 free days	<u>Example:</u> $0.01 * \$100,000$ total credit limit * 2 months = \$2,000 for 120 days

6. When Billing Customer directly the Billing Rep Financing Cost Program Option 2, Pay as you Go, applies. (The Discounted Prepayment Option 1 is currently reserved for Greenheck Reps only.)

7. Adding a New Customer:

- Contact the Greenheck Credit Department by submitting a completed credit application available on RepNet.
- \$200 fee for any new Customer who is added to the policy. (This fee will not be charged if the Customer is not approved.)
- Approval for all requests will attempt to be made within 5 business days.

8. Program Renewal - Annual

- If the Rep chooses to not participate in the program, they must communicate in writing to Greenheck Customer Service, gme.service@greenheck.com.
- If Greenheck chooses to modify the Reps Credit limit or terms, gme.service@greenheck.com will notify the Rep.
- If no communication occurs by either party, the prior year credit limit and terms will transfer.