



Ceramic Supplies and Solutions Since 1932

Subject: Credit Policy

Dear Customer:

Thank you for your interest in establishing credit with Laguna Clay Company. The purpose of this letter is to explain our credit program and to determine if it fits your needs.

Since Laguna Clay is not a large corporation, we have limitations in our ability to provide financing to our customers. After reviewing the basic credit guidelines provided below, if you feel your credit requirements and our ability to meet them are compatible, please forward a completed Laguna Clay Credit Application and we will give it our immediate attention.

Basic Guidelines employed by Laguna Clay Company when considering credit applications:

- A. *Customer Profile* – Laguna Clay Company is a manufacturing company which sells products to distributors, manufacturers, businesses and individuals. Because of the frequency and size of purchases made by commercial and industrial customers, those accounts are sometimes more efficiently handled on a credit basis. It is less common, however, that individual accounts fall into that category, and most individuals find it more convenient to pay by check or credit card.
- B. *Necessity* – Since Laguna Clay's ability to extend credit is the exception rather than the rule, Laguna Clay considers a net-30 account valuable if it facilitates purchases by customers who order several times each month and in significant quantities over the course of a year. Credit customers typically make a minimum of 20 purchases annually, totaling at least \$10,000. We greatly value the many Laguna customers whose requirements are less than the amount described above, and, over the years, those customers have found their credit needs to be far more efficiently served using credit cards.
- C. *Qualifications* – Just as in your business, Laguna Clay Company concentrates on what it does best. In Laguna's case, the manufacturing and distributing of quality ceramic materials and equipment. Since we are in the ceramics business and rather than inflate prices to cover collection (or non-collection) of accounts, before we establish a credit account, we conduct a thorough credit search and require the following information:
 - 3 strong trade references (not to include credit card or utility accounts)

If you feel the previous criteria is a fit for your business needs, please forward a completed credit application to:

Laguna Clay Company – Accounts Receivable

14400 Lomitas Avenue
City of Industry, CA 91746

- You may email completed applications to AR@lagunaclay.com to expedite the processing time, however, an original credit application must be received in our office before an approved account can be activated.

Application Guidelines:

Please complete the application in its entirety. Delays in processing new accounts usually result from incomplete applications, so if you have any questions about the information we have requested, address them to the Credit Manager immediately. Please make sure your credit application is signed where required.

The most important part of the application is the section requesting references. It is very important that you provide a minimum of 3 of your most active, current trade references as well as a current bank reference. Please keep in mind that most vendors are responsive in a timely manner when it comes to reference requests, however, if possible, providing a main contact person and their email address will help expedite the process.

Applications are processed as quickly as possible, but please allow for a minimum of 7-14 days processing time. This allows for repeated requests for credit references if necessary, or additional information requests if necessary. If it is important that your application be expedited, please contact the Credit Manager directly.

If establishing a credit account with us is important to you and you feel that you qualify within the guidelines outlined herein, please contact Laguna's Accounts Receivable; AR@Lagunaclay.com

Laguna Clay Company appreciates your business, thank you.