



## PREPAID ACCOUNT INFORMATION

**What is a prepaid account?** Virginia Administrative Code 3 VAC 5-30-30 allows for prepaid accounts to be setup between retail licensees and wholesalers. It is money paid in advance to the wholesaler to cover deliveries made to the retail licensee. Payment at time of delivery to the delivery driver is not required when an account is setup as a prepaid account.

**What dollar amount does a retail licensee prepay to a wholesaler?** The dollar amount prepaid to a wholesaler is based on what the retail licensee estimates their average purchase amount to be for each delivery. A wholesaler cannot deliver an order if the credit balance in the retail licensee's prepaid account is less than the invoice amount being delivered.

**Can the initial prepaid dollar amount be adjusted by the retail licensee?** Yes it may, by notifying the wholesaler in writing.

**Where does the initial money paid to the wholesaler for a prepaid account go to?** Prepaid accounts are set up as an account receivable at the wholesaler. Prepaid amounts are credited to the account when received by the wholesaler. The prepaid account must be established before a delivery is made to the retail licensee.

**How are invoices reconciled for a prepaid account?** Invoices for prepaid accounts are debited against the initial monies sent in for the prepaid account. Reminder- retail licensees must maintain a credit balance to cover the delivery being made to them.

**How do retail licensees maintain their prepaid dollar amount?** After receiving a delivery from the wholesaler, the retail licensee processes the invoice through their Account Payables Department for the invoice amount payable to the wholesaler. This procedure is repeated for each delivery made by the wholesaler to the retail licensee. Keeping in mind that the prepaid amount must cover those deliveries being made before your payment arrives to the wholesaler for previous deliveries.

**How does the retail licensee keep track of their balance?** Someone at the retail licensee should be monitoring the deliveries being made to them. A statement may be requested at any time from us showing the present balance and invoices due. Monthly statements are available, if requested.

**How do retail licensees change their prepaid amount or close their account?** Retail licensees must notify Associated Distributors, Inc. in writing, on their company letterhead, of the change.

For additional information or questions, please feel free to contact our Finance Department at 804-743-1121 or [vafinanceinvoices@breakthrubev.com](mailto:vafinanceinvoices@breakthrubev.com)

### BREAKTHRU BEVERAGE VIRGINIA

RICHMOND 5800 Technology Blvd • Sandston, VA 23150-5035 • 804.743.1121  
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[www.BreakthruBev.com](http://www.BreakthruBev.com)



**Credit/Prepaid Application for a Business Account**  
**Business Contact Information**

Company Name			
Company DBA			
Phone		Fax	
Emails:			
Registered company address			
City, State Zip			
Date business commenced			
Sole Proprietorship	Partnership	Corporation	Other:

**Business and Credit/Prepaid Information**

Primary business address			
City, State Zip			
How long at current address?			
Phone		Fax	
Bank Name			
Bank address			
City, State Zip		Phone	
Type of account	Account number		
Savings			
Checking			
Credit limit requested		Prepaid amount needed	

**Business and/or Trade references**

Company Name			
Address			
City, State Zip			
Phone	Fax	Email	
Type of account			
Company Name			
Address			
City, State Zip			
Phone	Fax	Email	
Type of account			
Company Name			
Address			
City, State Zip			
Phone	Fax	Email	
Type of account			

**Agreement**

1. All invoices are to be paid 30 days from the date of the invoice. Past due accounts will be charged an interest rate of 1.5% per month.
2. Claims arising from invoices must be made within 7 working days
3. By submitting this application, you authorize Associated Distributors LLC to make enquiries to the banking, savings, business, and/or trade references you have supplied.
4. This agreement must be signed by an Officer, Partner, or an individual authorized to open accounts.

**Signature**

Signature	Title	Date	Print Name
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**AGREEMENTS, TERMS AND CONDITIONS**

The Customer indicated on the first page desires to purchase goods and services from Creditor, on open account, and agrees in consideration of the creation of the open account to be bound by the following terms and conditions. The signer(s) executes this agreement in his or her individual capacity and on behalf of his or her martial community, if any, and for and on behalf of the Company, in the capacity indicated. By this application, the authorizing officer, partner, or owner and the Company request that an account be opened in the name of the Company and agree to be liable for all charges to the account. Creditor's extension of credit to Customer constitutes Creditor's acceptance of this application and agreement for business credit, and customer's signature constitutes Customers acceptance of the terms and conditions contained in this application and agreement for business credit.

Credit will be extended by Creditor to Customer based on the information provided in this application, and Creditor, or its agent, is authorized to check Customer's assets and credit background. Customer authorizes the release of account ratings, average balances, returned item information, and any and all other credit history and experience. Customer agrees to pay any all charges, fees and costs which Customer or any authorized person incurs, on the Customer's account. Unless Customer notifies Creditor in writing within five (5) days of any unauthorized use of Customer's credit, Customer agrees that any other person who incurs charges on Customer's account is authorized to do so.

Creditor will mail to Customer at the address set forth on the first page of this application, a statement of account, if requested, which will show Customer's account activities, delinquency charges, and new balance. Customer agrees to notify Creditor; in writing; of any error in the statement within ten (10) days after the date of that statement. If not so noticed, the statement shall be deemed to be correct, and accepted as rendered. All sums owing Creditor by Customer shall be paid in accordance with the terms and conditions expressed on the written quotation signed by Creditor and C11Stomer or on Creditor's invoice. In the absence of such express terms and conditions, Creditor's terms will be Net 30. Whether or not expressed in said quotation or invoice, all sums past due 31 or more days shall bear an interest charge at the rate of one one-half percent (1.5%) per month.

Customer agrees that if Creditor is not paid on time, in accordance with Creditor's terms, Customer shall pay for all costs and expenses incurred by Creditor in connection herewith. Should Creditor refer Customer's past due account to a Collection agency, Customer further agrees that if this account is referred to an attorney for collection activity and/or the initiation of a lawsuit, Customer will pay thirty three (33%) in addition to the principal, interest, and collection agency fees, as and for Creditor's attorney fees incurred, whether suit is initiated or not.

Customer agrees that any financial documents provided Creditor are true and correct, and will provide Creditor such documents, from time to time upon request. Customer represents to Creditor that it is solvent as of the date of this agreement.

This agreement embodies the entire agreements of the parties. Should a court of competent jurisdiction find any clause in this Application and Agreement for Business Credit to be void, that clause shall be severed with all other provisions remaining intact and enforceable. No promise, representation or agreement made subsequent to the execution and delivery hereof, by either party hereto, and no revocation, partial or otherwise, or change, amendment, addition, alteration or modification shall be valid unless the same be in writing signed by all parties hereto, or by their duty authorized agents.

Signature

Title

Date

Print Name

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