

REPORT OF RETURNS AND ALLOWANCES

HILLDUN CORPORATION

We hereby report to you, that we have received returns of merchandise or have passed credit covering allowances in the amount herein indicated, from the respective debtors named below, upon accounts receivable owing by such debtors which we have previously assigned to Hilldun Corporation. We acknowledge that we hold this merchandise in trust for Hilldun Corporation, which retains title thereto until we have repurchased and paid for such merchandise. We hereby authorize Hilldun Corporation to deduct the gross amount of such returns of merchandise or allowances from any sum payable to us by Hilldun Corporation upon any assignments of accounts receivable which we may make to Hilldun Corporation and/or from any equities which may be payable to us in connection with any prior assignments.

PLEASE LIST FULL INFORMATION

NAME OF DEBTOR CITY AND STATE	Gross Amount of Credit		Applies to Assigned Invoice Number	DO NOT WRITE IN THIS SPACE

Date _____

_____ (Firm Name)

By _____