



FARMERS COOPERATIVE ASSOCIATION, INC.

CHARGE ACCOUNT AGREEMENT & CREDIT APPLICATION

Date: _____

Name of Credit Patron: _____

Address: _____

Name of Credit Co-Patron: _____

Address: _____

THIS AGREEMENT, is made and entered on the above stated date by the said Credit Patron(s) and Farmers Cooperative Association (the "Company"), and to the extent applicable, pursuant to the CUSTOMER Credit Protection Act (Federal Truth in Lending Act, Public Law 90-321; 93 Stat. 146) and the Kansas Uniform Consumer Credit Code (K.S.A. 16a 1-101 et seq.).

The Company agrees, if this agreement is approved by the association, that it shall allow the credit patron(s) to purchase goods and services on credit and the credit patron(s) agrees to pay for any goods and services in accordance with this agreement.

DUE DATE:

All purchases made on credit during the month that are reflected on the periodic billing statement for such month are due and payable upon receipt of the billing statement.

CONVENIENCE CREDIT:

If all purchases are paid in full before the last day of the month following the month of purchase, the account shall not be subject to any **finance charge**.

FINANCE CHARGE:

Any balance not paid before the second billing date, the last day of the month following the month of purchase, shall be subject to a **finance charge** of 1.5% per month, which is an **annual percentage rate** of 18%. Said **finance charge** to apply to the unpaid balance on the account on the last day of the billing cycle carried over from the prior month, and the minimum amount of such charge shall be \$.50 per month.

TERMINATION OF CREDIT:

The Company reserves the right to terminate credit sales to patron at any time without prior notification, and in addition thereto, no additional credit purchases will be allowed to any account that is over 90 days past due.

CHANGE IN TERMS:

This agreement may be changed by the Company to increase the **finance charge**, change the due date, change the billing cycle, change the method of calculating the **finance charge**, or change matters of a similar nature within the limitations of applicable law.

Notice of any such change shall be given to the patron 30 days prior to the effective date of charge.

SECURITY FOR ACCOUNT:

Any purchase(s) made pursuant to this agreement may be secured by a separate security interest and lien on any goods sold. Additionally, the Company shall have a lien upon all non-stock capital accounts or credits the Company holds on behalf of a member or participating patron, which lien may be exercised only at the discretion and direction of the Board of Directors. Credit patron(s) hereby authorizes Company to execute and file on behalf of the credit patron(s) any such UCC financing and continuation statements as Company deems necessary to perfect its security interest in the Collateral.

COLLECTION/ATTORNEY FEES:

Credit patron agrees to pay the reasonable costs of collection, including, but not limited to attorney and collection agency fees (but not both), and court costs, but such fees may not exceed 15% of the unpaid debt after default, in accordance with KSA 16a-2-507 (to the extent applicable), or as hereafter amended.

Until notified in writing to the contrary by the patron, the Company may assume that the patron's spouse, children over the age of sixteen years, and employees, if any, are authorized to purchase goods or services and charge them to the patron's account.

SIGN HERE IF CREDIT PATRON(S) IS AN INDIVIDUAL:

Credit Patron

Credit Co-Patron

SIGN HERE IF CREDIT PATRON IS A BUSINESS ENTITY:

The person executing this agreement has authority to bind the credit patron and is authorized by the credit patron to enter into the terms and conditions set forth in this Charge Account Agreement.

Name of Applicant: _____

By: _____ Title: _____

By: _____ Title: _____

NOTE: The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided that the applicant has the capacity to enter into a binding contract); because the applicant has in good faith exercised nay right under the Consumer Credit Protection Act. The federal agency that administers compliance with the law concerning this creditor is Federal Trade Commission, Equal Credit Opportunity, Washington, D.C. 20580.

OFFICE USE ONLY:

Guarantee Required _____ Guarantee Obtained _____

CREDIT APPLICATION

SECTION 1 (TO BE COMPLETED ONLY IF THE APPLICANT(S) IS AN INDIVIDUAL)

Patron Name: _____ SS#: _____

Driver's License Number: _____

Address: _____ City: _____

State: _____ Zipcode: _____ Phone: _____

Directions to your address: _____

Employer Name: _____

Employer Address: _____

Employer Phone Number: _____ Length of Employment: _____

Co-Patron Name: _____ SS#: _____

Driver's License Number: _____

Address: _____ City: _____

State: _____ Zipcode: _____ Phone: _____

Directions to your address: _____

Employer Name: _____

Employer Address: _____

Employer Phone Number: _____ Length of Employment: _____

Patron Bank: _____

Address: _____ Phone: _____

Name on account: _____

Type of account: _____ Account Number: _____

Trade reference: _____

Items you wish to purchase: _____

Co-Patron Bank: _____

Address: _____ Phone: _____

Name on account: _____

Type of account: _____ Account Number: _____

Trade reference: _____

Items you wish to purchase: _____

Patron/Co-Patron Estimated Monthly Expense Amount: _____

I hereby authorize bank named above to release information requested for the purpose of obtaining and/or reviewing credit.

Signature of Applicant: _____ Date: _____

Signature of Co-Applicant: _____ Date: _____

SECTION 2 (TO BE COMPLETED ONLY IF THE APPLICANT IS A BUSINESS ENTITY)

A. APPLICANT

Legal Business Name: _____ TIN# _____

Other Business Names: _____

(List all Trade Names, DBA's and specify any Divisions or Subsidiaries)

Street address: _____

City: _____ State: _____ Zipcode: _____

Mailing address: _____

City: _____ State: _____ Zipcode: _____

Phone: _____ Fax: _____ Email: _____

Ship-to address: _____

Patron/Co-Patron Estimated Monthly Expense Amount: _____

B. BUSINESS INFORMATION

(Mark and fill in the appropriate row below. Applicant must provide the names of all partners, members, principals or trustees. Additional space is provided at the bottom of this section; please provide an additional attachment as needed.)

☐ **Partnership** Partner _____ Partner _____
Partner _____ Partner _____

☐ **Corporation** President _____ Secretary _____

☐ **LLC** Manager/Member (circle one) _____
Member _____ Member _____

☐ **Other** LP/LLP/Joint Venture/Trust (circle one)
Principal/Partner/Trustee (circle one) _____
Principal/Partner/Trustee (circle one) _____
Additional Principal/Partner/Trustee/Member (circle one) _____
Additional Principal/Partner/Trustee/Member (circle one) _____

C. BANKING INFORMATION

Bank: _____

Address: _____ Phone: _____

Name on account: _____

Type of account: _____ Account Number: _____

I hereby authorize bank named above to release information requested for the purpose of obtaining and/or reviewing credit.

Signature: _____ Date: _____

D. TRADE REFERENCES (Please provide three references)

	<u>Name</u>	<u>Contact</u>	<u>Address</u>
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____

SECTION 3 (TO BE COMPLETED BY ALL APPLICANTS)

Farmers Cooperative Association, Columbus, Kansas, offers convenience credit only.

Applicant hereby authorizes Company to contact credit-reporting agencies and the above named references regarding Applicant's credit and financial responsibility for the purpose of obtaining credit and for review for the purpose of maintaining the credit relationship. Applicant directs the References to provide relevant information to the Company. Applicant agrees that as a condition of extension of credit, the Company may now or may hereafter require Applicant to submit verifiable financial statement(s) to the Company, and Company may further require Security Interests, Letters of Credit, Input Liens, or acceptable Guaranties, or such other instruments the Company deems necessary in its sole discretion.

The undersigned submits that he/she has actual authority to hereunto subscribe, is authorized by the Applicant to enter into this agreement, and that the information provided above is true and correct.

Name of Applicant: _____

By: _____ Title: _____

Name of Co-Applicant: _____

By: _____ Title: _____

NOTE: The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided that the applicant has the capacity to enter into a binding contract); because the applicant has in good faith exercised nay right under the Consumer Credit Protection Act. The federal agency that administers compliance with the law concerning this creditor is Federal Trade Commission, Equal Credit Opportunity, Washington, D.C. 20580.

Office Use Only:

Approved by: _____ Opening Limit: _____



Farmers Cooperative Association
P.O. Box 80, Columbus, Kansas 66725 • (620) 429-2296
farmerscoop.coop • info@farmerscoop.coop

FARMERS COOPERATIVE ASSOCIATION, INC. CREDIT POLICY

A: All purchases are due and payable by the last day of the month of purchase. Any account not paid by the last day of the month following the month of purchase shall be subject to a finance charge of 1.5% per month which is an annual percentage rate of 18%. No further credit will be extended to any account which is more than 90 days past due.

B: Credit shall be extended only to persons who have submitted a written credit application and charge account agreement, and no credit shall be extended to any single credit patron in an amount in excess of \$150,000.00 except with the approval of the board of directors.

C: Except as otherwise directed by the board of directors, management shall administer accounts receivable as follows:

- 1.) When the account has been classified delinquent (unpaid by the third billing or 60 days past due), the account debtor will be notified.
- 2.) If unpaid by the fourth billing or 90 days past due, the account will be placed on credit hold and any further transactions will be Collect on Delivery (COD) only.
- 3.) If unpaid by the fifth billing or 120 days past due, the general manger will send a notification stating the association's intent to refer the account for collection or legal action.
- 4.) If unpaid by the sixth billing or 150 days past due, the account will be referred to legal counsel for collections and suit.

D: Once an account has been placed on credit hold, no further credit will be extended to that account until the patron has resubmitted a credit application and has been approved by the board of directors. The board of directors shall be informed of any account that has been classified delinquent.

** Please keep this form for your records.*



Farmers Cooperative Association
P.O. Box 80, Columbus, Kansas 66725 • (620) 429-2296
farmerscoop.coop • info@farmerscoop.coop

**ABSOLUTE GUARANTY OF PAYMENT OF OBLIGATION TO
FARMERS COOPERATIVE ASSOCIATION, INC.**

(Please only fill out this form if you are a Corporation or L.L.C.)

THIS GUARANTY made and granted this _____ day of _____, 20____, by _____, whose residence/principal place of business is _____, _____ County, State of _____ hereinafter referred to as "Guarantor" to FARMERS COOPERATIVE ASSOCIATION, with its principal place of business at 402 East Country Rd., Columbus, Cherokee County, Kansas 66725 hereinafter referred to as "Co-op," with respect to credit extended and to be extended to _____, whose residence/principal place of business/address is located at _____, _____ County, State of _____ hereinafter referred to as "Debtor."

For good and valuable consideration, receipt of which Guarantor hereby acknowledges, Guarantor hereby absolutely guarantees payment to Co-op when due of all amounts which may now be due or hereafter become due from Debtor to Co-op.

This is a continuing guarantee, which shall remain in full force until Guarantor delivers to Co-op written revocation as to indebtedness incurred subsequent to such delivery. Guarantor waives presentment and demand.

This Guarantee shall inure to the benefit of Co-op, its successors or assigns, and is not assignable by Guarantor, but shall be binding upon the heirs, executors, administrators and successors of Guarantor.

IN WITNESSETH WHEREOF, Guarantor has executed this Guarantee the day and year first above written.

Guarantor: _____

By: _____