

Credit Policy

I agree that the following terms will govern my purchases made which are charged to any charge account that I may have with Prairie Pride Cooperative.

1. Bills are sent at the beginning of each month.
2. I will pay the entire balance due within 30 days of the billing date and I understand that if any portion of my balance remains unpaid for more than 60 days, I will be placed on a cash basis until that amount is paid or I have made satisfactory arrangements with the credit department.
3. I understand that a FINANCE CHARGE of 1½ % per month, which is an Annual Percentage Rate of 18%, will be applied to that part of any balance that resulted from purchases made during a calendar month, but not paid before the last of the following month plus any previous balance that remained unpaid.
4. Payments shall be applied first to the unpaid FINANCE CHARGE then to the remaining outstanding balance.
5. In the event that collection proceedings must be instituted to collect past due balances, I will be subject to additional collection costs, court costs and attorney fees.
6. In applying for a joint account, both of us agree to be bound by the terms of this agreement and each of us agree to be jointly and severally liable for payment of all purchases made under this agreement.
7. I shall have the right to limit or terminate my charge account, but termination shall not affect my obligation to pay an existing balance.
8. If an NSF check is received, an additional charge will be added. If two NSF checks are received, I will be placed on a cash basis.
9. PERSONAL GUARANTEE: If the credit customer is a corporation, then those signing this application, whether signing as an officer or not, personally guarantee payment for all items purchased on credit by the corporation.

IN CASE OF ERRORS OR INQUIRIES ABOUT YOUR BILL

The Federal Truth in Lending Act requires prompt correction of billing mistakes.

1. If you want to preserve your rights under the Act here's what to do if you think your bill is wrong or if you need more information about an item on your bill:

- a. Do not write on the bill. On a separate sheet of paper write (you may telephone your inquiry BUT DOING SO WILL NOT PRESERVE YOUR RIGHTS UNDER THIS LAW) the following:
 - i. Your name and account number
 - ii. A description of the error and explanation (to extent you can explain) why you believe it is an error. If you only need more information, explain the item you are not sure about and, if you wish, ask for evidence of the charge such as a copy of the charge slip. Do not send in your copy of a sales slip or other document unless you have a duplicate copy for your records.
 - iii. The dollar amount of the suspected error.
 - iv. Any other information (such as your address) which you think will help us to identify you or the reason for your complaint or inquiry
- b. Send your billing error notice to Prairie Pride Cooperative, 1100 East Main, Marshall, MN 56258. Mail it as soon as you can but in any case early enough to reach us within 60 days after the bill was mailed to you.

2. We must acknowledge all letters pointing out possible errors within 30 days of receipt, unless we are able to correct your bill during those 30 days. Within 90 days after receiving your letter, we must either correct the error or explain why we believe the bill was correct. Once we have explained the bill, we have no further obligation to you even though you still believe there is an error, except as provided in paragraph 5 below.

3. After we have been notified, neither a collection agency nor we may send you collection letters or take other collection action with respect to the amount in dispute; but periodic statements may be sent to you, and the disputed amount can be applied against your credit limit. You cannot be threatened with damage to your credit rating or sued for the amount in question, nor can the disputed amount be reported to a credit bureau or to other creditors as delinquent until we have answered your inquiry. **HOWEVER, YOU REMAIN OBLIGATED TO PAY THE PARTS OF YOUR BILL NOT IN DISPUTE.**

4. If it is determined that we have made a mistake to your bill, you will not have to pay any finance charges on any disputed amount. If it turns out that we have not made an error, you may have to pay finance charges on the amount in dispute, and you will have to make up any missed minimum or required payments on the disputed amount. Unless you have agreed that your bill was correct, we must send you a written notification of what you owe; and if it is determined that we did make a mistake in billing the disputed amount you must be given the time to pay which you normally are given to pay undisputed amounts before any more finance charges or late payment charges on the disputed amount can be charged to you.

5. If our explanation does not satisfy you and you notify us in WRITING WITHIN 10 DAYS after you receive this explanation that you still refuse to pay the disputed amount, we may report you to the credit bureau and other creditors and may pursue regular collection procedures. But, we must also report that you think you do not owe the money and we must let you know to whom such reports were made. Once the matter has been settled between you and us, we must notify those to whom we reported you as delinquent of the subsequent resolution.

6. If we do not follow these rules, we are not allowed to collect the first \$50 of the disputed amount and finance charges, even if the bill turns out to be correct.

7. If you have a problem with property or service purchases you may have the right not to pay the remaining amount due on them, if you first try in good faith to return them or give the merchant the opportunity to correct the problem.