

CRYSTAL VALLEY COOPERATIVE

P.O. Box 210

LAKE CRYSTAL, MN 56055

721 WEST HUMPHREY

(507) 726-6455

Fax: (507)726-6901

APPLICATION FOR OPEN ACCOUNT PURCHASES

Individual

Section 1 Date _____ Crystal Valley Employee Taking Application _____
Name _____ Spouse or Joint Applicant Name _____
Address _____ City _____ State _____ Zip Code _____
Phone No.(Home) (____) _____ Cell Ph# _____ Work Phone _____
Landlord's Name & Phone _____ E-Mail Address _____
If living in rural area, describe exact location _____

How long at present address ____ Years ____ Months Own Rent Other Monthly Payment \$ _____
Previous Address _____ City _____ State _____ How long _____
Nearest Living Relative: Name _____ Address _____ Phone _____

Applicant No. 1	Spouse or Joint Applicant
Date of Birth _____	Date of Birth _____
Social Security No. _____	Social Security No. _____
Employer _____	Employer _____
Occupation _____	Occupation _____
Earnings Monthly _____	Earnings Monthly _____

Check products interested in purchasing:
Petroleum () LP Gas () Agronomy () Feed () Lube Oils () Other () (Specify)
Gas Cards () How Many? _____ Limit Per Fill _____

Section 2 References
Bank _____ City and State _____
Lender _____ City and State _____

Other References (such as a utility company or previous supplier, if applicable) or personal references
Name Address City State Phone

The above information is for the purpose of obtaining credit and is warranted to be true. I (we) agree to pay all bills upon receipt of statement or as otherwise expressly agreed.

I (we) hereby authorize Crystal Valley Cooperative to investigate the references herein listed and references from any other person pertaining to my credit, employment and financial responsibility now and for as long as I (we) have an open account or balance with you. I (we) also authorize Crystal Valley Cooperative to provide credit ratings to other credit grantors or credit reporting agencies about your experience with me (us).

DISCLOSURE NOTICE

Finance charge will be computed by applying a periodic rate of 1.50% per month which is equivalent to an ANNUAL PERCENTAGE RATE of 18%. A minimum finance charge of \$.50 per month will be charged. If the amount for which credit is extended is received before the last day of the month following purchase, an additional Finance Charge will not be assessed.

Your Cooperative, pursuant to its Articles of Incorporation and By-Laws, has a security interest of a first lien on the capital stock or equities of the Cooperative held by any patron for any debt due by that patron that is deemed otherwise uncollectible by the Board of Directors. All Collection costs will be charged back to the patron or deducted from equity.

APPLICANT'S SIGNATURE

JOINT APPLICANT'S SIGNATURE

Required Regulation Z Disclosures

When finance charge accrual starts?	A co-op patron has 30 days from the closing date to pay the new balance before FINANCE CHARGES will accrue on the account.
Is there a time period during which credit may be repaid without incurring a finance charge?	Yes. FINANCE CHARGES will be imposed on any new purchases only if they are not paid in full by the end of the month following the closing date.
What is the finance charge rate?	A periodic rate of 1.6% per month is charged on all balances still owing on the 1st day of the second month following the month in which credit was extended. The ANNUAL PERCENTAGE RATE is 18%.
Method used to figure the balance on which the finance charge will be computed?	Credits and payments are deducted from the previous past due balance to arrive at the new past due balance on which the FINANCE CHARGE for the following month is computed.
How will the finance charge be determined?	FINANCE CHARGES are computed on the average outstanding balance for the period.
Are there other charges in addition to the finance charge?	Yes. A \$30 charge is assessed for checks that are returned for not sufficient funds. The Co-op is also permitted to recover its attorneys fees and other costs associated with collecting amounts owed the Co-op.
Does the co-op take a security interest?	Usually not, but there are cases when the Co-op will request a perfected interest either in the things you are purchasing and/or in other collateral you have an interest in. If additional security is requested, it will secure previous credit extended plus credit extended in the future as well.
Does the Co-op have a first lien on your equity in the Co-op and the right to offset against it?	Yes. Part of the Co-op's earnings are distributed to qualifying patrons in the form of equities, which are eventually revolved according to policies established by the Board of Directors. The co-op's Articles of Incorporation give the Co-op a first lien on any equities you earn from patronizing the Co-op. The Co-op routinely offsets those equities against accounts that it considers uncollectible. The Co-op reserves the right to discount your equities if it exercises its right of offset.
Is there a point where your payment terms will be cash on delivery (COD) if your account is not paid?	Yes. Accounts must be paid in full within 25 days after the closing date, and if the account is not paid, you may be required to pay cash for purchases thereafter. In addition, the Co-op reserves the right to place any account holder on immediate COD anytime the Co-op has reasonable belief that repayment will not be made in accordance with the credit policy, or if the Co-op does not want to extend credit for any reason that is not otherwise unlawful. However, special credit arrangements can be made with the credit manager's approval.
Is there a minimum amount due?	Yes. The Co-op is not in the business of providing financing to its customers. The Co-op provides convenience credit, and the credit policy requires payment of the account in full by the end of the month following the closing date. The Co-op may, but is not obligated to, continue extending credit to those who do not pay their account in accordance with the Co-op's credit policy. Send payments to Crystal Valley Cooperative, 721 W. Humphrey, P.O. Box 210, Lake Crystal, MN 56055-0210

Your Billing Rights Under the Fair Credit Billing Act

This notice contains important information about your rights and our responsibilities under the Fair Credit Billing Act.

1. Notify Us in Case of Errors or Questions About Your Bill.

If you think your bill is wrong, or if you need more information about a transaction on your bill, write us (on a separate sheet) at (address) (the address listed on your bill). Write to us as soon as possible. We must hear from you no later than 60 days after we sent you the first bill on which the error or problem appeared. You can telephone us, but doing so will not preserve your rights.

In your letter, give us the following information: (1) Your name and account number (2) The dollar amount of the suspected error and (3) Describe the error and explain, if you can, why you believe there is an error. If you need more information, describe item you are not sure about.

2. Your Rights and Our Responsibilities After We Receive Your Written Notice

We must acknowledge your letter within 30 days, unless we have corrected the error by then. Within 90 days, we must either correct the error or explain why we believe the bill was correct.

After we receive your letter, we cannot try to collect any amount you question, or report you as delinquent. We can continue to bill you for the amount you question, including **finance charges**, and we can apply any unpaid amount against your credit limit. You do not have to pay any questioned amount while we are investigating, but you are still obligated to pay the parts of your bill that are not in question.

If we find that we made a mistake on your bill, you will not have to pay any **finance charges** related to any questioned amount. If we didn't make a mistake, you may have to pay **finance charges**, and you will have to make up any missed payments on the questioned amount. In either case, we will send you a statement of the amount you owe and the date that it is due.

If you fail to pay the amount that we think you owe, we may report you as delinquent. However, if our explanation does not satisfy you and you write to us within ten days telling us that you still refuse to pay, we must tell anyone we report you to that you have a question about your bill. And, we must tell you the name of anyone we reported you to. We must tell anyone we report you to that the matter has been settled between us when it finally is.

If we don't follow these rules, we can't collect the first \$50 of the questioned amount, even if your bill was correct.

Disclaimer of All Warranties

THE CO-OP MAKES NO WARRANTY OF ITS PRODUCT, EXPRESS OR IMPLIED, INCLUDING MERCHANTABILITY AND FITNESS FOR A SPECIFIC PURPOSE, EXCEPT AS OTHERWISE REQUIRED OR PROVIDED BY LAW.

Consent to Declaration of Patronage Refunds

By signing this agreement, I hereby consent to include in my gross income (or the gross income of the entity that I sign this form on behalf of), as now or hereafter provided in the federal income tax laws, the stated dollar amount of each written notice of allocation which I or it receives from Crystal Valley Cooperative, with respect to my or its patronage occurring during the current and all subsequent taxable years of this cooperative. This individual consent shall be revocable by me or it at any time if in writing.

Recovery of Attorneys Fees & Collection Costs

In the event the Co-op initiates collection proceedings to collect amounts due on open account for agricultural or commercial purchases, all costs of collection and reasonable attorneys' fees incurred or paid by the Co-op in order to collect the amount due shall be added to the amount due and paid by Customer unless prohibited by law. This agreement applies to all unpaid charges incurred prior to the date of this agreement and all future charges

Indemnification of Co-op for Inquiring With Employment/Trade/Credit References

The applicant shall indemnify and hold the Co-op harmless from any claims, damages, etc., brought by anyone including applicant, including the cost of legal defense, for making inquiry into and with any references furnished by the applicant. The applicant also hereby grants permission to any reference above named to answer any questions posed to it by the Co-op, and the applicant shall indemnify and hold that reference harmless to the same extent as the applicant indemnifies and holds the Co-op harmless. The Co-op shall also be held harmless from the receipt and use of credit reports about the applicant or the applicant's guarantor.

INDIVIDUAL CONSENT & SUBSTITUTE FEDERAL FORM W-9

I HEREBY CONSENT TO INCLUDE IN MY GROSS INCOME, AS NOW OR HEREAFTER PROVIDED IN THE FEDERAL INCOME TAX LAWS, THE STATED DOLLAR AMOUNT OF EACH WRITTEN NOTICE OF ALLOCATION WHICH I RECEIVE FROM CRYSTAL VALLEY COOPERATIVE, WITH RESPECT TO MY PATRONAGE OCCURRING DURING THE CURRENT AND ALL SUBSEQUENT TAXABLE YEARS OF THIS COOPERATIVE. THIS INDIVIDUAL CONSENT SHALL BE REVOCABLE BY ME AT ANY TIME IF IN WRITING.

NAME AS SHOWN ON ACCOUNT			
MAILING ADDRESS		PERSONAL SOCIAL SECURITY NUMBER	
CITY	STATE	ZIP CODE	FEDERAL IDENTIFICATION NUMBER
BIRTH DATE: ____ / ____ / ____		TELEPHONE NUMBER: ____	
CERTIFICATION - UNDER PENALTIES OF PERJURY, I CERTIFY THAT: (1) THE NUMBER SHOWN ON THIS FORM IS MY CORRECT TAXPAYER IDENTIFICATION NUMBER (OR I AM WAITING FOR A NUMBER TO BE ISSUED TO ME), AND (2) I AM NOT SUBJECT TO BACKUP WITHHOLDING EITHER BECAUSE I HAVE NOT BEEN NOTIFIED BY THE INTERNAL REVENUE SERVICE (IRS) THAT I AM SUBJECT TO BACKUP WITHHOLDING AS A RESULT OF A FAILURE TO REPORT ALL INTEREST OR DIVIDENDS, OR THE IRS HAS NOTIFIED ME THAT I AM NO LONGER SUBJECT TO WITHHOLDING.			
CERTIFICATION INSTRUCTIONS. YOU MUST CROSS OUT ITEM (2) ABOVE IF YOU HAVE BEEN NOTIFIED BY IRS THAT YOU ARE SUBJECT TO BACKUP WITHHOLDING BECAUSE OF UNDERREPORTING INTEREST OR DIVIDENDS ON YOUR TAX RETURN. HOWEVER, IF AFTER BEING NOTIFIED BY IRS THAT YOU WERE SUBJECT TO BACKUP WITHHOLDING YOU RECEIVED ANOTHER NOTIFICATION FROM IRS THAT YOU ARE NO LONGER SUBJECT TO BACKUP WITHHOLDING, DO NOT CROSS OUT ITEM (2).			
SIGNATURE		DATE	