

DAKOTALAND FEEDS, L.L.C.

RETAIL CREDIT POLICY AND DISCLOSURE STATEMENT

Statement of Credit Terms and Disclosure of Finance Charges

TERMS:

Open account credit is available to patrons with approved credit on a convenience basis only. The BILLING DATE for credit purchases is the last day of the month in which the purchase was made. The DUE DATE is the last day of the next month. If an account is paid by the due date, no finance charge will be assessed. All open accounts are to be paid in full by the due date, unless other arrangements are made.

FINANCE CHARGES:

All open accounts not paid by the due date will be assessed a FINANCE CHARGE of 1 3/4% of the previous statement balance. This monthly finance charge computes to an ANNUAL PERCENTAGE RATE OF 21%. All payments and other credits will be applied to the oldest purchase first.

SUSPENSION OF CREDIT PRIVILEGE:

Any past due account is subject to loss of credit privileges. Furthermore, legal action may be taken to collect past due accounts. Suspension of credit may be waived if the patron can provide adequate collateral or an assignment to secure the past due account.

CASH DISCOUNTS:

If discounts on the product price are available, they will be given if payment is made in any one of three ways:

- 1) Payment at the time of sale. (Does not include product PRE-PAID prior to delivery)
- 2) Payment in advance of sale. (CREDIT BALANCES will not earn interest)
- 3) Payment received by the 10th of the month for charges incurred in the previous month. {Payments must be either received in our office or post-marked by the 10th of the month. Statement balance must be paid in full each month to receive all available discounts. Absolutely no exceptions!! All payments and other credits will be applied to the oldest purchase first.}

CREDIT CARD PAYMENTS:

Dakotaland Feeds, L.L.C. will accept valid VISA, Mastercard and Discover payments; however, cash discounts will NOT be available when payments are made in this manner.

SECURITY INTEREST:

Dakotaland Feeds, L.L.C., may acquire a security interest in property owned by the patron pursuant to:

- 1) Statutes and provisions of the Uniform Commercial Code which grants such interest by written agreement between seller (Dakotaland Feeds, L.L.C.) and the patron.
- 2) Statutory liens such as the North Dakota Ag Supplier's Lien, mechanics liens, and similar liens.
- 3) Judgment liens if legal action results in a court judgment in the Dakotaland Feeds, L.L.C.'s favor.

EFFECTIVE DATE:

The above terms shall become effective September 18, 2000.