



**Lakes Area Cooperative**

**Administrative Office: P.O. Box 247 • Perham, Minnesota 56573**

**C-Stores**  
Perham Oasis (218) 346-7810  
Ottertail Oasis (218) 367-3626  
Dent Oasis (218) 758-3300  
Menahga (218) 564-5264  
Park Rapids (218) 237-2667  
Akeley (218) 652-2665

**Bulk, LP, Gas & Diesel**  
Perham (218) 346-6240  
Toll Free 866-346-5601

**Phone (218) 346-6240**

**Fax (218) 346-6241**

Locker Div. (218) 346-6245  
Fertilizer Div. (218) 346-2355  
Milk Div. (218) 346-6240  
Battle Lake Coop (218) 864-5574  
Vergas Country Store (218) 342-2441  
Wolf Lake Coop (218) 538-6660  
Menahga Farm (218) 564-4453

**Feed**  
Perham (218) 346-7075  
Menahga (218) 564-4421  
Toll Free 800-935-8951

## **CREDIT POLICY**

Jan. 1, 2017

Your Board of Directors has adopted a credit policy which is applicable to those patrons for whom credit has been approved. This policy is in effect **Jan 1, 2017**. Federal and State law requires all businesses to disclose credit terms to customers in a uniform manner.

Our credit terms are as follows:

1. No credit will be given without a credit history given or established. Credit limits will be established to all accounts.
2. You will be furnished statements monthly for all purchases charged to your account. You are responsible to maintain and provide LAC with a current mailing address.
3. All accounts are considered due at the time of billing. If the billing is not paid by the 20<sup>th</sup> of the month, a finance charge will be assessed at the periodic rate of 1.5% per month, with a \$5 minimum on the unpaid balance.
4. Any account over its credit limit, or without a monthly payment will be placed on a temporary cash basis. No further credit will be given until the account is paid or a payment plan, agreeable with our credit department, is established. LAC scheduled delivery agreements will not be honored on cash accounts.
5. Any account that stays over its credit limit for 90 days will be placed on a permanent cash basis. When final notice is given and restitution is not made in 7 days the account will be turned over to collections. Accounts will be responsible for collections costs.
6. Production liens and/or Financing Statements will be filed in accordance with Minnesota Law and the grant by the patron to LAC of a continuing security interest in all assets owned by the patron on any past due accounts at the discretion of the general manager or the Board of Directors. The cost of such filings will be billed directly to the patron's account and upon default in payment; LAC may enforce its statutory liens and the lien established by its security agreement on the patron's assets.
7. Discount- no cash discounts will be given unless account is current.
  - a) Refined fuel. Pay your bill within 10 days of delivery and receive the discount listed on invoice.
  - b) LP home heating, (excluding grain dryer propane), you may pay your bill within 10 day's of delivery and receive the discount listed on invoice.

All previous credit policies stated or implied have now been rescinded and are void.

Board of Directors  
Lakes Area Cooperative

# Lakes Area Cooperative

Customer warrants that all the information submitted hereon is accurate and complete

## PERSONAL / BUSINESS FACTS

NAME - LAST, FIRST OR BUSINESS	SSN/EIN (TO OBTAIN CREDIT REPORT)	DATE OF BIRTH	PHONE NUMBER	HOME OR BUSINESS
ADDRESS	CITY	STATE	ZIP	YRS HERE OWN OR RENT
BUSINESS CONTACT - PERSON - POSITION		E-MAIL ADDRESS (Yours)		
PREVIOUS CUSTOMER	YES OR NO	UNDER WHAT NAME?	LOCATION?	
AMOUNT OF CREDIT NEEDED, AND FOR WHICH COMMODITIES (CHECK ALL THAT APPLY)				
\$	LP	BULK PETROLEUM	FEED	CONVENIENCE STORE AGRONOMY OTHER

## EMPLOYMENT FACTS

EMPLOYER NAME	EMPLOYER ADDRESS	YRS HERE	POSITION	MO. INCOME	PHONE NUMBER
OTHER INCOMES \$ SOURCE You do not have to list income from a spouse or former spouse including alimony, child support or maintenance unless you want us to consider it for the purpose of opening this account. If you do list such payments. Please complete co-applicant section below.					

## CREDIT/BANK REFERENCES

NAME	ADDRESS	PHONE NUMBER
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**CO-APPLICANT COMPLETE THIS PART ONLY IF:** 1) Another person will use the account. Such person must also sign this application and will be jointly obligated on the account. Or 2) you are relying on income derived from a spouse or former spouse including child support, alimony or maintenance payments for repayment of the account

NAME - LAST, FIRST, INITIAL	SSN(to obtain credit report)	DATE OF BIRTH	RELATIONSHIP
ADDRESS	CITY	STATE	ZIP YRS HERE PHONE NUMBER
EMPLOYER NAME	EMPLOYER ADDRESS	YRS HERE	POSITION MO. INCOME PHONE NUMBER
CREDIT/BANK REFERENCES (If different from applicant's)			

**MN SALES TAX EXEMPTION** Yes or No CIRCLE REASON CODE. ENTER NUMBER OR TITLE WHERE APPLICABLE.

A - Agricultural or Industrial production B - Direct pay. Enter dp# _____ C - Exempt Organization. Enter ES# or type of group _____ D - Motor Carrier Direct Pay. Enter MCDP# _____ E - Percentage Exemption. Advertising _____% Utilities _____% F - Resale G - Resource Recovery Facility. Enter CN# _____ H - Services (Multiple Points of Use) I - Other. Enter Title _____	
Single purchase certificate or Blanket certificate (if circled, this certificate continues in force until canceled by the purchaser)	
Signature of Authorized Purchaser _____	

WOULD YOU LIKE TO RECEIVE COPIES OF THE COOP'S ARTICLES AND BYLAWS? YES OR NO

**NOTICE:** Please review the reverse side of this page, and any attached pages, before signing.

I understand that you will retain this application whether or not it is approved. You are authorized to check my employment and credit history, and to answer questions about your credit experience with me. I agree to abide by all the terms of the Coop's credit plan and policy.

APPLICANT'S SIGNATURE	DATE	CO-APPLICANT'S SIGNATURE	DATE
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### **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 the Lakes Area 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.

If you fail to keep your address current or inform the Co-op of changes in your address, you agree that the Co-op may deem any equity the Co-op previously allocated to you, that was not or is not called for payment or then payable to be contributed from your account to the Co-op unallocated surplus.

### **RECOVERY OF ATTORNEY 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 the agreement and all future charges.

### **INDEMNIFICATION OF CO-OP FOR INQUIRING WITH EMPLOYMENT/BANK/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.

### **GRANT OF SECURITY AGREEMENT;**

If credit is approved and extended, the applicant grants a continuing security interest to Cooperative in all assets, including but not limited to all equipment, fixtures, livestock and inventories now owned or hereafter acquired, all offspring, all crops growing, to be grown and/or harvested; and for all the above the proceeds and accessions in value. The applicant authorizes the Cooperative to perfect its security interest by filing financing statements, notifying prospective buyers, and taking other necessary actions to perfect the Cooperative's Security interest in all applicant's assets.

### **Personal Guarantee**

We as undersigned individuals, corporate officers, trustee, owner, partner, spouse or others listed on this application, do hereby jointly and severally guaranty payment by the company of the full amount of credit granted