



## Customer Charge Account Policy

The MRGA Charge Account Policy is to extend credit as a matter of convenience and service to accounts that are deemed creditworthy. Any new customer wishing to establish a charge account is required to complete a Charge Account Application. Applicants must be 18 years or older to have an account set up in their name without a parent or guardian's signature.

Charge Account Applications will provide the creditor with the authorization to request bank and trade references along with pulling a credit report, if deemed necessary. Credit limits of the charge account may be established based upon this information.

Any customer wanting to significantly increase a credit limit may be required to submit additional credit information and/or may be required to provide financial statements. An additional Charge Account Application may also need to be submitted.

A customer that has not done business within the last 12 to 18 months may be required to complete the credit process again including a Charge Account Application and/or providing financial statements.

All purchases made on credit during a month are due and payable by the 10<sup>th</sup> day of the following month. A finance charge of 1.5% per month, which is an annual rate of 18% per year, will be applied to that part of any previous balance which is not paid within 30 days of the statement date.

All purchases on credit during any month must be paid within 30 days of the statement date to avoid incurring a finance charge.

The balance of your account to which a finance charge will be imposed is the total of all purchases incurred during a calendar month but not paid for within 30 days of the statement date, plus any previous purchases which remain unpaid.

The minimum monthly payment is payment in full of all balances appearing on your current statement within 30 days of the statement date.

Each payment shall be applied first to unpaid finance charges, then to merchandise and/or services purchased on credit.

Any account that is 60 days or older may be placed on COD. A lien will be filed on any account that goes 60 days past due and a lien filing fee of \$40 and \$20 for North Dakota and Minnesota customers, respectively, will be added to the account. The account will be placed on temporary COD basis until the account is current. When placed on COD the account will be re-activated if paid within a reasonable time. If the account is deemed to be consistently late, the account will be placed on a permanent COD basis. To re-establish the account the customer must complete a new Charge Account Application, pay the account in full, and be approved by the credit committee.

If an account becomes severely delinquent, we may use legal action if necessary. Any accounts that have to be collected through the legal system or collection agency will not be permitted to have an open account. However, a prepaid account may be set up, or pay for services at the time service is rendered.

The customer is responsible for paying their account in full including all purchases of goods and services, finance charges and lien filing fees as described in this policy. In the event of non-payment, the customer is responsible for all collection costs and reasonable attorney's fees.

Any and all agronomy accounts must be paid in full and current before the new crop season to be eligible for credit.

Only the Credit Manager, CEO or CFO has the authority to waive or rescind any credit terms/finance charges.

This is a general guideline of the Coop's policy, and is not intended to restrict the Coop in any manner from pursuing any more or less aggressive approach at any time that the Coop's management deems appropriate under the circumstances.

If you have any questions relating to the Charge Account Policy, please direct them to the Credit Manager at the Casselton business office.

## **MRGA**

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**[www.mrga.com](http://www.mrga.com)**