



VALLEY UNITED CO-OP CREDIT APPLICATION

Please complete, sign (page 4), and return this form in its entirety

Valley United Coop 322 4th Ave, PO Box 37 Reynolds, ND 58275 Questions please call (701) 847-2261

Type of application: Sole Proprietor (Sec 1 & 4) Partnership (Sec 1, 2 & 4) Corporation, LLC (Sec 3 & 4) Other

SECTION 1: ACCOUNT INFORMATION

Name _____ Social Security #: _____

First, MI, Last

Address _____ City _____ State _____ Zip _____

County _____ Birthday _____ Email address _____

Month/day/year

Phone #1: (_____) _____ - _____ Phone #2: (_____) _____ - _____

Area code

Area code

SECTION 2: JOINT ACCOUNT INFORMATION

Name _____ Social Security #: _____

First, MI, Last

Address _____ City _____ State _____ Zip _____

County _____ Birthday _____ Email address _____

Month/day/year

Phone #1: (_____) _____ - _____ Phone #2: (_____) _____ - _____

Area code

Area code

SECTION 3: ACCOUNT INFORMATION

Company Name _____ Tax ID #: _____

Billing Address _____ City _____ State _____ Zip _____

Phone #1: (_____) _____ - _____ Phone #2: (_____) _____ - _____

Area code

Area code

In business _____ years Billing Contact Person _____ Position _____

Owners and Spouse/Co-Applicant, Officers, Guarantors, Members and Partners (Please List)

Name	Title	Social Security Number	Date of Birth

Please include a separate sheet for additional applicant information

Primary Contact _____ Contact Number () _____ - _____ Email _____

SECTION 4: NEEDS TO BE COMPLETED ON EVERY APPLICATION

CREDIT AMOUNT REQUESTED: _____

CREDIT REFERENCE:
 Primary Bank _____
 Contact Name: _____
 City _____ State _____ Zip _____
 Telephone (_____) _____ - _____ Fax (_____) _____ - _____

TRADE REFERENCE:
 Name _____
 Contact Name: _____
 City _____ State _____ Zip _____
 Telephone (_____) _____ - _____ Fax (_____) _____ - _____

Crop Insurance Company: _____
 Agent: _____ Phone: (_____) _____ - _____

Office Use Only: () Approved () Denied Credit Limit: _____ Date Approved: _____ By Whom: _____

ADDITIONAL TERMS AND CONDITIONS

General. Valley United Co-op, herein after referred to as "VUC" offers convenience credit to qualified patrons. Convenience credit should not be construed as a line of credit for long term financing. Patrons using convenience credit must follow the conditions of these Additional Terms and Conditions, the Credit Application, and associated applications or agreements of guarantees in order to remain eligible for convenience credit. The extension of convenience credit to approved patrons is a privilege and not a right. As a result, such credit privileges are revocable at any time by VUC, with or without notice. VUC further reserves the right to deny or limit the extension of credit to any patron at any time when such denial or limit is in the best interest of VUC, as determined by VUC, in its sole discretion. New patrons will be subject to a credit application and a credit check. Existing patrons may also be subject to periodic credit reassessment in order to determine the continuation of convenience credit for the patron. Patrons are urged and encouraged to make necessary financing arrangements through their bank or other sources. Every patron who does business with VUC shall be deemed to have agreed to be bound by the provisions of these Additional Terms. These Additional Terms and the Credit Application, and any associated applications or agreements of guarantees submitted by the patron are collectively referred to herein as the "Credit Agreement." The Additional Terms and Conditions of VUC are subject to change without prior notice.

Provision of Information. The preceding information is provided by the Applicant(s) for the purpose of obtaining credit. Applicant and Co-applicant, as applicable, represent and warrant to VUC that such information is true and accurate. The Applicant(s) hereby authorizes VUC to investigate all references and customary credit information sources including consumer credit reporting repositories and reporting agencies regarding the Applicant(s)' credit and financial responsibility for the purpose of obtaining credit and for periodic review for the purpose of maintaining the credit relationship. The Applicant(s) authorizes such credit reporting agencies and repositories to provide information as to the financial responsibility, credit history, and debts of the undersigned, and further authorize the Applicant(s) crop insurance agent to release information to VUC regarding the Applicant(s) crop insurance policy. Applicant and Co-applicant understand that the credit history of the Applicant(s) is a factor in the evaluation of any credit granted by VUC resulting from this Credit Application, and as such, the Applicant(s) consent to VUC's use of consumer credit reports or general credit reports pertaining to the Applicant(s). Applicant(s) understand and agree that VUC may request additional information from Applicant(s) based upon the information provided in the above Credit Application prior to deciding as to the extension of credit to Applicant(s).

Additional Terms on Invoices. Applicant and Co-Applicant acknowledge and agree that the Additional Terms attached to this Credit Application constitute binding obligations of the Applicant and Co-Applicant, and that additional terms and conditions stated on invoices to applicant(s) may apply. Unless agreed to in writing by VUC, the terms and conditions stated herein, in the Additional Terms, and in any invoices, supersede any terms and conditions set forth in any purchase order executed by the Applicant(s). Applicant(s) represents that this request for credit is being made for business purposes only.

Security Agreement.

- a. The execution of the Additional Terms and Conditions shall constitute the granting of a Security Agreement by Applicant(s) under N.D.C.C § 41-09, and Minn. Stat. § 336.9.

In addition to, and not in substitution of, any available agricultural lien available to VUC the person identified as the Applicant and/or Co-Applicant on the Credit Application hereby grants to VUC a security interest in the following identified Collateral for all Indebtedness and obligations due and owing, whether currently due or in due at any time in the future, by Applicant to VUC ("Indebtedness"). "Indebtedness" includes any money that Applicant and/or Co-Applicant owes now or will owe in the future, whether by future advance, or otherwise, and includes principal, interest, late charges, and reasonable attorney's fees and expenses incurred in perfecting the security interest granted hereunder or incurred in connection to the Indebtedness. The Applicant and Co-Applicant hereby grants to VUC to secure the Indebtedness a security interest in consists of all rights or interests that Applicant and Co-Applicant has, or that hereafter is acquired or hereafter arises, in the following: **accounts, general intangibles, chattel paper, instruments, farm products, growing crops, agricultural supplies, inventory, entitlements, rights to payment under any farm programs, insurance, including crop insurance, and all products and proceeds of the forgoing (collectively, the "Collateral").**

THIS SECURITY AGREEMENT COVERS CROPS NOW GROWING. THIS SECURITY AGREEMENT ALSO COVERS FUTURE CROPS TO BE GROWN IN THE CURRENT YEAR OF ANY YEAR HEREAFTER.

- b. Applicant(s) authorizes VUC at any time VUC chooses to file a UCC-1 or other applicable financing statement and/or any CNS or Effective Financing Statement to perfect this security interest in the Collateral. Applicant(s) makes such authorization even if there is no Indebtedness currently owing and continues to authorize VUC to file (or continue the filing of such statement) until the Indebtedness has been paid in full and Applicant(s) makes a written request of VUC to terminate such financing statement. Applicant(s) will execute any documents necessary for VUC to perfect this security interest, including any central filing notices. Upon demand of VUC, Applicant(s) will provide VUC a list of all persons who purchase farm products from Applicant(s) and authorizes VUC to provide such person's direct notice of the security interest granted in this Security Agreement. Applicant(s) will also execute an assignment of indemnity in favor of VUC and list VUC as additional insured and/or loss payee on any insurance policies insuring the Collateral.

c. **Default.** Default under this Security Agreement shall consist of the following: a. Failure of the Applicant(s) and any guarantor to pay when due any part of the Indebtedness secured by this Agreement; b. Failure of Applicant(s) to comply with this Agreement or the Applicant(s) to comply with or perform any other term, obligation, covenant or condition contained in any documents related to this Agreement or in any other agreement between VUC and the Applicant(s); c. False statements made by the Applicant(s) to VUC, which are false or misleading in any material respect, either made now, in the application process, or at any time hereafter; d. Defective collateralization, from whatever cause, resulting in non-enforceability, invalidity, or lack of perfection of all or any part of the security interest of VUC in the Collateral; e. Insolvency of the Applicant(s), the appointment of a receiver or conservator for the Applicant(s) or any of their property, any assignment for the benefit of creditors, or the commencement of any proceeding under any Bankruptcy or insolvency laws by or against the Applicant(s); f. Other creditor actions against the Applicant(s) which result, or which may result, in the good faith opinion of VUC, in a risk to either the Collateral or in a risk of nonpayment of the Indebtedness; or g. Change in the financial or other condition of the Applicant(s), which in the good faith opinion of VUC renders VUC insecure or at risk of non-collection of the Indebtedness.

d. **Remedies.** Remedies available to VUC, in addition to all others available to VUC under applicable law, are as follows: a. Accelerate the Indebtedness and declare all of same immediately due and payable, principal, interest, late charges, attorney's fees, and other amounts due inclusive; b. Require Applicant(s) to assemble the Collateral at a convenient place designated by VUC, and assist VUC in taking possession of the Collateral for disposition of same under the Uniform Commercial Code; c. Repossess the Collateral wherever it may be found, either by self-help or by judicial action, including but not limited to directing exercising any rights VUC may have by virtue of having perfected its security interest in the Collateral by control; d. Sell or otherwise dispose of the Collateral in the manner permitted by the Uniform Commercial Code, with the reasonable expenses of retaking, preparing for sale, and selling or otherwise disposing of the Collateral to be reimbursed to VUC from the first proceeds of sale or other disposition, and the remainder to be applied as a credit to the Indebtedness; e. Collect accounts and general intangibles directly, to the extent the Collateral consists of accounts and general intangibles, and VUC may notify all such account debtors and obligors on the accounts and general intangibles, directing them to make payment directly to VUC on the account of the Applicant(s); f. Obtain deficiency by way of judgment or otherwise against the Applicant(s), for any and all amounts remaining unpaid on the indebtedness after sale or other disposition of the Collateral and after application of the proceeds as a credit to the Indebtedness; g. Other rights and remedies allowed by law, whether state or federal, and whether under the Uniform Commercial Code or other applicable laws and regulations, h. Other rights and remedies allowed by contract, whether contained in this Agreement, or in any other document executed in connection with this Agreement, or as specified in any other agreement between the Applicant(s) and VUC,

i. All remedies are cumulative, and may be exercised by VUC singularly or concurrently, and the election by VUC to pursue any remedy shall not exclude pursuit of any other remedy at any other time.

Payment Application. Payments made on accounts will be applied first to accrued late payment charges, then to interest charges, and then to the remaining outstanding balance.

Disputed Statements. All invoices and statements issued by VUC will be conclusive as to the items purchased/sold and charges made therefore unless the Applicant(s) informs VUC, in writing, of the Applicant(s) dispute thereof within ten (10) days of the statement date.

Authorized Agents for Applicant(s). The Applicant(s) shall identify for VUC, certain persons authorized to make purchases of products or services on the Applicant(s)' credit account. Unless otherwise informed, VUC shall be permitted to presume that all persons representing Applicant(s) are so authorized to legally and contractually bind the patron. All purchases/sales made by such authorized persons shall be treated as binding contractual agreements of Applicant(s) as if the Applicant(s) made the purchases it/him/herself. Applicant(s) is responsible for all charges/sales made to the Applicant(s) account by individuals as authorized by Applicant(s), unless the Applicant(s) revokes the authority for such individuals in writing, prior to the date charges/sales are made.

Termination of Credit. In addition to any other termination provisions contained herein, VUC, in its sole discretion, reserves the right to terminate credit sales and privileges at any time without prior notification, for any reason. No additional sales of products or services on credit will be made if the Applicant(s) account has a past due balance of any amount for more than ninety (90) days. Applicant(s) accounts that remain unpaid after ninety (90) days will be referred to collections through legal process. NO CREDIT WILL BE EXTENDED TO PATRONS WHOSE ACCOUNT BALANCE CONTAINS ONE OR MORE INVOICE THAT IS AT LEAST NINETY (90) DAYS PAST DUE. Therefore, no new purchases or extension of credit will be allowed on that Applicant(s)' account. Once all invoices over ninety (90) days and older are paid, the extension of further credit will be reviewed before the Applicant(s) may be allowed to purchase on credit again. The review of said Applicant(s)' credit by VUC after the payment of all invoices that are at least ninety (90) days past due does not guarantee the re-extension of credit after payment by the Applicant(s).

Right of Offset. Applicant(s) agrees that VUC may offset and apply any amounts it may owe the Applicant(s) for whatever reason against any unpaid past due credit balance of the Applicant(s). VUC has a first lien in the stock and/or equities and/or revolving fund credits of any stockholder or patron of VUC to the extent of any unpaid balance which may exist at any time, and any offset exercised by VUC may be made against such stock, equities, and/or revolving fund credits, other amounts due to the Applicant(s) by VUC, or any combination thereof.

Charges and Fees. Unless approved in writing by VUC in advance, credit cards are not accepted as a form of payment on the Applicant(s)' credit account. VUC may assess a reasonable charge to offset the additional administrative costs incurred by VUC in the event VUC chooses, in its sole discretion, to allow such form of payment. The Applicant(s) shall be liable for the payment of all collection costs, including but not limited to phone expense, court costs and fees, postage costs, attorney fees and other costs incurred in collection of any delinquent credit account.

Prepayment Allowed. Patrons choosing to prepay for their purchases may do so at any time. Cash will be placed on the patron's account on a dollar-for-dollar basis. Prepaying for item specific purchases may allow producers the opportunity to take advantage of a current pricing structure or discounts as may be applicable. Prepayment for specific items is not available indefinitely, and prices for prepaid items are subject to expire at the end of VUC's fiscal year or as otherwise specifically noted by VUC.

Change of Ownership. The Applicant(s) shall notify VUC in writing of any change of name or address of the person under whom the credit account is established, or any guarantor thereof.

Further Assurances. In order to more fully assure the parties of the benefits hereunder, the parties shall cooperate fully with each other and execute such further instruments, documents and agreements as may be reasonably requested by one another to better evidence and reflect the transactions described herein and contemplated hereby and to carry into effect the intent and purposes of this Credit Agreement.

Entire Agreement. These Additional Terms, and any terms contained in the Credit Agreement, including any exhibits or schedules that may be attached, constitutes the entire agreement and understanding between the parties hereto with respect to transactions contemplated therein. All prior representations, understandings and agreements between the parties with respect to the other transactions contemplated by this Agreement are superseded by the terms of this Agreement

No waiver. No delay or failure by VUC in the exercise of any right or remedy under this Agreement or under law shall constitute a waiver thereof, and no single or partial exercise by VUC of any right or remedy shall preclude other or further exercise thereof or the exercise of any other right or remedy at any other time. VUC reserves the right to pursue any and all legal remedies available to it under North Dakota and Minnesota law.

Severability. If one or more provisions of the Credit Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (a) such provision will be excluded from this Credit Agreement, (b) the balance of the Credit Agreement will be interpreted as if such provision were so excluded and (c) the balance of the Credit Agreement will be enforceable in accordance with its terms.

Amendment. The Credit Agreement may be modified or amended by VUC in its sole discretion. No assignment of the rights and obligations under the Credit Agreement may be made by the Applicant(s) without the prior written consent of VUC. No assignment shall relieve the assigning party of any of its obligations hereunder.

Choice of Law; Venue. This Credit Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of North Dakota applicable to agreements to be performed in North Dakota. Venue for any dispute arising from the breach or enforcement of any term in this Agreement shall be proper in the District Court for the County of Traill, North Dakota, or if jurisdiction may be properly found, in the Federal District Court serving such County and State. The Parties hereby waive the right to assert any such forum constitutes an inconvenient forum.

Successors Bound. The Credit Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective permitted successors and permitted assigns.

Headings and Captions. The headings and captions of the paragraphs in the Credit Agreement are inserted for convenience or reference only, and do not constitute a part of the Credit Agreement.

Acceptance. By selling products to VUC, or purchasing products, equipment, or services from VUC on a convenience credit account, the Applicant(s) agrees to be bound by the terms of the Credit Agreement. By executing the Credit Agreement, the undersigned represents: (i) that each has the ability to pay the amounts charged to their account, and (ii) that such amounts shall be promptly paid when due.

Joint and Several Liability. The Applicant(s) acknowledge and agree that liability arising from Applicant(s)' breach under this Credit Agreement is joint and several, and that VUC reserves the right, in its sole discretion, to commence action to recover damages from any Applicant, Co-Applicant, or guarantor, or any one or more of them.

APPLICANT(S)' SIGNATURE(S) ATTESTS TO THE ACCEPTANCE OF THE TERMS OF THE CREDIT AGREEMENT, THE FINANCIAL RESPONSIBILITY, ABILITY, AND WILLINGNESS TO PAY IN ACCORDANCE WITH THE ABOVE TERMS:

Applicant Name (Print):

Applicant Signature:

Officer Position (if applicable): _____

Date: _____

Co-Applicant Name (Print):

Co-Applicant Signature:

Officer Position (if applicable): _____

Date: _____

Valley United Co-Op

Authorized Signature:

Print Name: _____