CREDIT POLICY
Effective January 1, 2012

1. **No Annual Fee:** No Annual Fee will be charged.

2. **Credit Approval:** A credit department approved credit application is required before charges can be made to an open account.

3. **Terms:** Purchases made during the month are due in full when the customer's credit limit is reached or by the 10th of the month following the month in which the transactions took place, whichever occurs first (such date shall be referred to as the "Due Date"). If an account balance has not been paid with 10 days after its Due Date, then such account will be deemed past due.

4. **Past Due Accounts:** Accounts deemed past due, pursuant to our credit policy, will be assessed a finance charge of 1.5% per month (18% Annual Percentage Rate) on all past due invoices. Allied Energy reserves the right to close a past due account to all future purchases and may demand immediate payment in full.

5. **Payments:** Payments will be applied first to unpaid finance charges, then to the remaining outstanding balance.

6. **N.S.F Checks:** The maximum allowable fee will be assessed on each returned check/item. Collection action and/or prosecution action will be taken.

7. **Collection:** Allied Energy reserves the right to take collection action at the time after an account reaches past due status. Allied Energy is not bound by any notation of "paid in full" or otherwise that accompanies any payment if the payment is not for the total amount owed at that time. Any agreement for a lesser amount than what is owed must be expressly agreed to by Allied Energy in a written Agreement signed by Allied Energy CEO.

8. **Prepayment:** Customers choosing to prepay for their purchases may do so at any time. Cash will be placed on 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 were applicable. Those producers who prepay for specific items understand prepay pricing is not held indefinitely, and prices are subject to expire at the end of Allied Energys' fiscal year (August 31) or as noted on the bookings, or contract, whichever comes first.

9. **Credit Cards:** Credit Cards will only be accepted for payment of consumer purchases (non-agricultural purchases).

10. **Budget Billing:** Budget billing is available on home heating fuel.

11. **Co-op local Cards:** Co-op Local Cards can be used for fuel purchases at our cardtrol islands where accepted. Co-op Local Card terms are the same as our current Credit Policy.

12. **Bulk Refined Fuels:** Deliveries less than minimum amounts and non-scheduled deliveries after normal business hours may be subject to additional service charges. Out of gas deliveries (propane) may be subject to additional service charges. Unapproved or past due accounts are cash prior to delivery.

13. **Collection Costs:** The customer shall be liable for the payment of all our collection costs, court costs, and attorney's fees to pursue payment of your debt in the event that payment is not received when due.

14. **PMSI (Crop Lien):** By using your Allied Energy account, you grant Allied Energy a purchase money security interest (PMSI) in all products purchases through your account, in addition to any proceeds from it. The PMSI continues until the products are paid in full.

15. **Account Disputes:** Disputes must be reported to the main office (701-493-2266) located at 109 Industrial Park, Edgeley, ND 58433 by the 10th of the month following the transaction date.

Our Company views credit as a privilege and not a right.

This policy has been designed to protect Allied Energy and the customers we serve.

The Allied Energy Board of Directors reserves the right to make changes to this policy at any time. Customers with an established account will be notified in writing of such changes at least 30 days prior to the effective date of the change. Allied Energy also reserves the right to delay enforcement of this policy without losing the right to enforce this policy.