

**EVERGREEN FS, INC.**  
**CREDIT POLICY**

Change of terms and disclosure statement - effective January 1, 2009 the credit policy of Evergreen FS, Inc. will be:

1. All statements will be prepared the last business day of each calendar month. These statements will show the purchases and payments for the preceding 30-day period.
2. All accounts are due and payable in full upon receipt of the monthly statement unless different terms have been specified on the sales invoice / program transactions statement section.
3. Payments must be received within the indicated time period to qualify for any cash discount offered. NO cash discounts will be allowed when any portion of the customer account is past due.
4. NO Prepay monies will be accepted if any portion of the customer account is past due.
5. A monthly FINANCE CHARGE of 2.0 PERCENT, which is equivalent to an ANNUAL PERCENTAGE RATE of 24.0%, will be assessed on all amounts unpaid within the terms specified on the monthly statement or sales invoice / program transactions section. Monthly statements are due in full on or before the 25<sup>th</sup> of each month. Other credit terms offered are noted on the sales invoice or within the program transactions section of the monthly statement. Balances must be paid in full within the credit terms noted. Any unpaid amount beyond specified credit terms will be assessed a monthly FINANCE CHARGE of 2.0 PERCENT and will be considered past due.  
NO FINANCE CHARGES WILL BE WAIVED UNLESS WITHOUT MANAGEMENT APPROVAL.
6. Credit will be extended to approved accounts for a maximum of 30 days. Accounts with unpaid balances more that 30 days from date of original statement will be served on a cash only basis.
7. Commercial and reseller accounts are due a maximum of 10 days from date of delivery or pick up of material, shorter terms may be noted on the sales invoice. Invoices must be paid current before additional deliveries or purchases.
8. Any account that exceeds 180 days past due without an approved repayment plan in effect will be placed on a Permanent Cash Only List.
9. Payments received will be applied first to accrued FINANCE CHARGES and then to the oldest portion of the account balance.
10. Checks or ACH returned unpaid by the bank for any reason will be charged a \$25.00 fee.
11. If a salesman sells to an account designated as "cash only" or to an account without proper credit approval they are personally liable for charges made.

**SPECIAL TERMS**

Cash discounts, prepayments and deferred payment terms are offered to encourage early purchases of seasonal products. Accounts must be current and in good standing in order to take advantage of special terms. Seasonal financing is available for farm accounts through the FS Agri-Finance program or other approved internal financing programs.

**CREDIT APPLICATIONS**

All new accounts must have a credit application approved prior to allowing their purchases to be charged to an account. Customer numbers will only be assigned by the credit department upon approval of credit applications. Credit applications should be submitted to the main office at least 10 days prior to the time of a desired purchase. Failure to comply with these requirements will result in the salesman handling that account being held personally liable for the unpaid balance of the account until an application is received and approved.

A new account is defined as anyone who has not purchased products on a charge basis from the company the previous 2 fiscal years.

New accounts obtained as a result of an acquisition or merger will not be required to complete a Credit Application if deemed in "Good Standing" under the previous Company's Credit Policy as reviewed and approved by the Management of Evergreen FS, Inc.

The Company reserves the right to require a Credit Application from any patron, to deny the privilege to obtaining credit and set terms accordingly for the repayment of any past due account as required for the operation of this Company under sound business principles.