

In consideration of the Armstrong Regional Cooperative (ARC) accepting your credit application, which forms part of this agreement, and opening an account in your name or your company's name and, when applicable issuing service or cardlock cards to you or your company and to the co-applicants, if requested, you agree to the credit terms set out below. Please retain a copy of this Agreement for your records and future reference. By signing this form you accept the terms of all sections of the agreement including #5 regarding the payment methods accepted and the late payment interest rates.

IN THE CASE OF A BUSINESS ACCOUNT, THE SALE OF THAT BUSINESS MUST BE REPORTED TO THE ARC IMMEDIATELY UPON SALE AND A NEW CREDIT AGREEMENT MUST BE SIGNED BY THE NEW OWNERSHIP WITHIN 30 DAYS. THE NEW OWNERSHIP SHALL BE BOUND BY THESE TERMS UNTIL SUCH TIME AS THE NEW CREDIT AGREEMENT IS SIGNED BY THE NEW OWNERSHIP.

1. General Terms of the Credit Accounts

- A) Credit may be granted to Customers who are members of the ARC with a good credit standing as determined by the ARC. However, membership in the ARC does not ensure granting of credit.
- B) Customers who wish to use credit privileges provided by the ARC must make application in writing and enter into a Credit Agreement. The Application for Credit will become part of the Credit Agreement when signed by the applicant and approved by the General Manager of the ARC.
- C) Each application for credit must be fully assessed by the ARC. Upon approval, the terms of the charge accounts listed herein are applicable.
- D) Under a charge account, credit is extended for new purchases (ie purchases not shown on a previous statement) to the Due Date shown on the statement. No interest is charged on new purchases when the ARC receives payment in full by the Due Date.
- E) All corporations or organizations applying for a credit account will be required to also complete a Personal Guarantee.
- F) Upon cancellation or expiry of the credit account, you will pay your account in full despite the cancellation or expiry of any rights and privileges under this agreement.
- G) The ARC has the right to refuse credit privileges to any applicant.
- H) The ARC has the right to cancel or withdraw your credit account and privileges and any charge cards issued, at any time including without limitation, if the credit terms and conditions are violated, upon your death or if you become bankrupt or insolvent.
- I) You may make enquiries about your account during the ARC's ordinary business hours by telephone, email, facsimile or in person.

2. Type of Accounts

- A) Regular 15 Day Charge Accounts are used for qualifying accounts at our Gas Bars and credit accounts at our Bulk Plants and Cardlock.
- B) An ARC Gas Bar Card may be issued and can be used to buy goods or services available on credit on these accounts from the ARC Gas Bars subject to conditions unique to each card.
- C) Debit Cards are preferred method of payment at our Gas Bars, however third party credit cards (Visa, Mastercard, American Express) are also accepted and encouraged at the Gas Bars instead of the Regular 15 day charge accounts.

3. Credit Limit

- A) The ARC will set a suitable credit limit unless otherwise requested by the applicant and approved by the General Manager of the ARC. The Limit may be increased or decreased at any time by the ARC. The change will be disclosed in the next statement following the change. You hereby request any increase to the Limit at any time for which you qualify.
- B) You agree not to make purchases on your account where the amount of the purchase plus any balance then outstanding would in total exceed the Limit, in which case the terms set out in this Agreement apply to those amounts in excess of the Limit.

4. Billing

- A) The ARC will send you a statement every month for purchases that have been made under your account during the previous month, and for any previous unpaid balance. Co-applicants and co-applicant cardholders will not receive statements.
- B) Failure to receive a monthly statement does not absolve the account holder from paying the amount due on the account. **The ARC is not responsible for undelivered statements and it is the sole responsibility of the account holder to pay all amounts due on the account regardless.**
- C) Where anyone authorized by you signs a receipt for goods or services on your account or you or anyone authorized by you gives your account number to make a purchase, you will be liable to pay as if the sales receipt was signed by you.
- D) If you do not notify the ARC in writing of an error or omission in your statement of account within 30 days of the statement date, you agree that the statement is considered conclusively to be correct.
- E) Any adjustment made by means of credit voucher will be credited to you, but until the time the credit voucher is granted and recorded, you are responsible to pay the full amount owing on the account to the ARC in accordance with this agreement.

5. Interest & Payment

- A) You agree to perform promptly all your obligations under this agreement.
- B) **You agree to pay the amount due in full on or before the due date shown on the statement, that being the 15th of the month following the month the charges were incurred.**
- C) You have the right to prepay the entire balance in full or part without charge.
- D) **Payment is accepted at our 973 Otter Lake Cross Road office by cash, cheque, money order, electronic bill payment (internet or phone banking), pre-authorized debit (PAD) or by debit card. Cheques and money orders may be sent to our mailing address: Box 250, Armstrong, BC V0E 1B0.**
- E) Payment by cash, cheque or electronic banking is encouraged as they minimize the ARC's transaction charges and maximize the patronage returned to members.
- F) **Third party credit cards such as Visa, Mastercard, American Express, etc, will NOT be accepted to pay all or any portion of a charge account balance.** That is to say that credit account customers cannot use their credit cards to pay their statement balance.
- G) **You agree to pay interest to the ARC on all past due amounts at the monthly rate of 2%, both before and after demand, default and judgement.** This interest is added to the charge account and forms part of the amount due. This interest will bear interest on your next monthly statement (monthly compounding) if the amount due on the statement is not paid in full on or before the due date. **The rate of compound interest charged on overdue accounts is 2% per month, which when compounded represents 26.8% annually.**
- H) Payments will be applied by the ARC in the following order:

Turn to other side for more terms and conditions.

Initials:

previously billed interest and purchases, interest and purchases shown on current statement, interest and purchases yet to be billed.

I) You agree you are liable for the entire outstanding balance of your account despite any variation of interest terms by the ARC.
J) In addition to the amounts otherwise payable under this agreement, you agree to pay the ARC its charge (currently \$20) for each dishonoured cheque received by the ARC from you and/or any failed PAD transaction.

6. Default

A) You will be in default if any of the following occurs:

- i) you do not make a payment when due (15th of the month as on statement);
- ii) a bankruptcy proceeding is filed by or against you or you are the subject of receivership or insolvency proceedings or any of your assets are seized;
- iii) you've made a false or misleading representation on your Application for Credit;
- iv) you die;
- v) you breach any of your other agreements in this agreement;
- vi) if the ARC has reasonable cause to believe your ability to perform your obligations under this agreement, including making timely payments, is impaired.

B) Upon your default, the ARC has the remedies in this agreement and at law. The ARC may immediately suspend or cancel your privilege to obtain credit. The outstanding balance in your account will become due and payable ten days from the date the ARC's written notice of the default or other event is sent to you.

C) You agree to pay all reasonable expenses, costs and disbursements, including fees as between a solicitor and his or her own client, which may be incurred by the ARC to collect interest at the rates notified to you from time to time on any amounts owing to the ARC under this agreement or on the judgement.

7. Cancellation

You may cancel this agreement at any time by written notice.

8. Amendments

The ARC may amend the provisions of this agreement including the interest rate by giving written notice to you of the change. The ARC will notify you in writing of the amendment, which may be by notice on your statement or by prepaid mail to the latest address contained in the ARC's files. The amendment will be effective 30 days, or such greater time period as may be required by applicable law, after the date notice is given. Unless you cancel your credit account within that notice period, the amendment(s) will be binding on you.

9. Notices

Any notice required or permitted to be given to you under the terms of this agreement is sufficiently given if shown on your statement or if sent by prepaid mail to the latest address contained in the ARC's files. Unless otherwise provided in this agreement or by law, any notice so given will be considered to have been received by you on the 7th day after the date on which it was mailed. You agree to notify the ARC promptly of any change of address. Notice to you or to a co-applicant is considered notice to all.

10. Lost or Stolen Card(s)

- A) Where any cards used in connection with your account are lost or stolen, you agree to notify the ARC promptly.
- B) With the exception of the ARC issued gas bar charge cards, your maximum liability for unauthorized use of a stolen or lost card before the ARC is notified is \$50 or such lesser amount as may be required by law.

11. Co-applicants

A) Where a co-applicant signed the credit application with you, the terms of this agreement bind each of you and apply with whatever

changes of grammar are necessary.

B) Where there are co-applicants, you agree that your liability for all amounts payable under the terms of this agreement is joint and individual, which means you are liable both individually and together for all amounts charged to the account.

C) Where you have designated co-applicant cardholders, you are responsible to the ARC for all transactions made by co-applicant cardholders.

12. Miscellaneous

A) You grant the ARC a security interest in any and all merchandise purchased from the ARC (the "Merchandise") to secure payment to the ARC for all debts, charges and liabilities, present and future, at any time owing by you in connection with your account. If for any reason you do not make payments on time or pay any other amounts due to the ARC in a manner provided in this agreement, in addition to all other rights and remedies available at law or in equity, the Merchandise may be repossessed to the extent permitted by law. Where permitted by law, you waive your right to receive copies of any financing statement, financing change statement or verification statement relating to this agreement.

B) If any part of this agreement is contrary to law or found inoperative by any court, that part is ineffective without invalidating the other parts of this agreement.

C) This agreement will be governed by the laws of British Columbia.

D) With your signature below, you acknowledge receipt of a copy of this agreement at the time of signing the NEW CUSTOMER RECORD & APPLICATION FOR CREDIT and before the extension of any credit or use of the account.

Signature

Printed Name

Date Signed

Please keep a copy for your records & future reference.

