

RURAL ENERGY ENTERPRISES, INC.
PURCHASING TERMS and CONDITIONS AGREEMENT

In order to purchase from Rural Energy Enterprises, Inc., the following terms and conditions will apply:

- A. Orders will be invoiced at the time of shipment.
- B. 1% discount if the invoice amount is greater than \$2,000 (does not apply to invoices with special pricing or payments made by credit card) and payment is postmarked within 12 days from the date of invoice with net amount due within 30 days.
- C. It is understood that the above terms are from date of invoice.
- D. Invoices/balances over 30 days old will be subject to a service charge of 1.5% per month.
- E. Rural Energy Enterprises, Inc. also reserves the right to withhold shipments to any overdue accounts
- F. All goods returned for credit or refund will be handled as follows:
 - 1. Please call us for a return authorization number.
 - 2. All freight must be prepaid back to Rural Energy Enterprises, Inc.
 - 3. All items must be in original or comparable cartons and in good condition.
 - 4. No broken or partial cartons will be accepted.
 - 5. All returns are subject to a 10% restocking charge, electrical components are subject to a 25% restocking fee if it is determined that the box has been opened. If opened the electrical component will be tested at REE's convenience and if the item fails inspection credit will be denied.
 - 6. Rural Energy Enterprises, Inc. reserves the right to refuse return of goods at their discretion.

If any invoice on the account exceeds 30 days from the date of invoice without payment, the amount due plus the amounts for all current invoices becomes immediately due. In this event all future orders will be shipped C.O.D. including C.O.D. Fees, Shipping Charges, and the total balance due on my account.

If it is necessary for Rural Energy Enterprises, Inc. to engage legal counsel or employ collectors to satisfy their billings, the dealer account agrees to pay, in addition to any outstanding balance, all legal fees and/or collection agency fees, service charges and court costs.

This agreement shall be construed to have been executed in the Municipality of Anchorage, Alaska, and shall be interpreted in accordance with, and shall be governed by, the laws of the State of Alaska. All disputes arising hereunder shall be subject to the jurisdiction of the State of Alaska and venue for any such litigation shall be proper in the courts of the Municipality of Anchorage and suit brought shall be brought in Anchorage, Alaska.

This agreement shall become effective only upon approval of my credit.

R.E.E. is authorized to investigate our credit record and to report to proper persons and bureaus my performance of this agreement. The Federal Equal Opportunity Act requires that all creditors, including banks, savings and loan associations, small loan companies, retail stores and others, make credit equally available to all credit worthy customers without regard to sex or marital status. The Federal Agency which administers compliance with this law concerning this business is the Federal Trade Commission, Washington, D.C. 20580.

The signer(s) of this agreement personally guarantees payment in full of the account for the company listed on this application. All information and representations in this credit application are correct and I understand that payment in full is required in accordance with the terms. This guarantee is continuing and irrevocable while there is any unpaid balance due to the account.

I (we) have read and understand the Rural Energy Enterprises, Inc. dealership policies, guidelines, service requirements and purchasing terms and conditions. By signing and returning this form to R.E.E. I and the company I represent agree to follow these guidelines. I recognize that failure to do so may result in cancellation of our R.E.E. dealership.

I (we) Certify that all the information on this credit application form is correct.

Signed: _____ **SSN:** _____ **Date:** _____

Company: _____