



P.O. Box 228
119 N. Farmer Ave.
Madison, SD 57042
605-256-4584

DISCLOSURE NOTICE & CREDIT POLICY

According to the Federal Truth in Lending Act, all businesses are required to disclose credit terms to customers. The extension of credit costs money. That is why we must impose a finance charge on past due balances. Credit is a privilege, not a right and is provided for convenience purposes only. This Disclosure Notice is being provided to you so that Madison Farmers Elevator Company will be in compliance with the Truth and Lending Act.

- ❖ The closing date of the billing cycle will be the last day of the month and accounts are due and payable in full on the 20th of each following month.
- ❖ If the amount for which credit is extended is not received before the closing date, a finance charge will be assessed on the past due balance. The past due balance is computed by deducting all current payments and credits from the previous balance. The finance charge will be computed by applying Periodic Rate of 1.5% per month which is equivalent to an annual percentage rate of 18%.
- ❖ Madison Farmers Elevator Company is to allocate customer's payments first to any unpaid finance charges and then to the unpaid principal.
- ❖ All accounts that are not paid in full when due will be considered past due and may be placed on a cash basis.
- ❖ Any account 60 days past due will be subject to cash on delivery, or under manager discretion may have credit discontinued until receive payment on account.
- ❖ Once a customer account balance reaches 90 days and there have been no payment arrangements communicated/scheduled, Madison Farmers Elevator will start Small Claims collections through the Lake Co. Clerk of Courts.
- ❖ If your credit has been discontinued for any reason, the old balance must be paid in full before credit will be considered again.
- ❖ Madison Farmers Elevator Company reserves the right to refuse or limit credit to anyone at any time, based on the ability to pay, financial condition and previous experience as we see fit.
- ❖ Madison Farmers Elevator Company, pursuant to its Articles of Incorporation and By Laws, has the right to seize any patron's capital stock or equities within the company for any debt due by the patron of which is considered uncollectible.