

# DIRECT DEBIT

# FLINT HILLS RESOURCES, LP DIRECT DEBIT

Flint Hills Resources, LP is pleased to provide Automated Clearing House (ACH) Direct Deposit (DD) service to qualified customers. The service provides for payments by you, from your bank account to FHR's bank account, electronically.

## BENEFITS TO YOUR COMPANY

- DD is a service provided absolutely free of charge from FHR, and bank costs are a fraction of those associated with wire transfers and check processing.
- DD will assist you in eliminating wasted time preparing and mailing payments.
- DD provides a preliminary debit advice, which allows documentation of invoices scheduled for drafting.
- Payments are made automatically on due dates, providing an effective cash management tool.

## HOW DOES DD WORK?

- STEP 1** FHR sends invoice to customer.
- STEP 2** Preliminary debit advice sent seven days prior to drafting (at customer's discretion) via fax or Electronic Data Interchange (EDI).
- STEP 3** Final debit advice is sent to customer two days before drafting.
- STEP 4** Customer's bank account is drafted on invoice due date.

## FREQUENTLY ASKED QUESTIONS

### **What is the difference between the Invoice and the Preliminary Debit Advice?**

An invoice includes specific details of the transaction such as product, price, volume, amount due, etc. A debit advice contains only the total amount to be drafted, date of the draft, and references applicable invoice numbers.

### **How will disputed DD invoices be handled?**

Invoices and the preliminary debit advice are sent to you as often as you request prior to the actual debit to your bank account. It is your responsibility to carefully examine these documents for accuracy. If an error is detected, your DD Account Representative is available to adjust the draft to avoid a debit of disputed amounts. FHR will debit your account for the undisputed amount and any difference will be adjusted or reconciled with you in a timely manner. Your DD Account Representative must be contacted at least three days prior to due date if changes are to be made in the amount drafted. FHR will take immediate action to correct any problems.

### **What happens if the purchased product is returned?**

FHR will promptly issue an DD credit for the returned product. If time allows, the original draft amount will be reduced by the amount of the returned product. The customer should notify their FHR Account Representative as soon as possible when product has been returned.

### **What happens if there is not enough money in the account to cover the DD draft?**

The bank will attempt to draft the same amount after FHR receives the insufficient funds notice. If the funds are still insufficient, the DD draft will be handled in the same manner as an insufficient funds check and will be returned to FHR.

### **How can an DD Agreement be canceled?**

DD can be terminated by notifying your FHR DD Account Representative fifteen days prior to the effective date of cancellation.

### **How do I start the DD process?**

Complete the form at right. Detach and mail to the address listed in the bottom-left corner of the form. Be sure to attach a voided check or deposit slip from your account. Your DD Account Representative will notify you when FHR is ready to begin drafting your account and answer any questions you may have.

# DIRECT DEBIT AUTHORIZATION AGREEMENT

Customer Name _____		Effective Date _____	
Customer Address _____	City _____	State _____	Zip _____
Customer Accounts Payable Contact _____	Customer Telephone Number _____	Customer Fax Number _____	

Customer hereby authorizes Flint Hills Resources, LP for its own account and for the account of its divisions, subsidiaries and affiliates ("FHR") to initiate ACH debit and credit entries to Customer's deposit account described below, and does further authorize the financial institution described below to debit or credit such entries to the Customer's account.

_____	ABA Number _____
Bank Name _____	Bank Account Number _____
_____	Bank Contact _____
Bank Address _____	_____
City _____ State _____ Zip _____	Bank Contact Telephone Number _____

This authority shall remain in effect until terminated upon fifteen (15) days written notice by either Customer or FHR. Notice of termination shall in no way affect debit entries initiated prior to actual receipt of notice.

Customer shall receive advance notice of invoices and/or debits in such form and at such time as may be established by FHR. To the extent that the above bank has the capacity to receive accounting data relating to the debits or credits being transmitted and to the extent FHR shall elect such form of transmitting information, Customer authorizes FHR to make transmissions of such information to the above bank.

All credit terms and other terms and conditions of trade credit otherwise established between Customer and FHR shall remain in effect.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_

_____	_____
Customer/Authorized Signature	Title

This Authorization Agreement is established between Customer and FHR with respect to currently prevailing trade credit terms. FHR may change the applicable trade credit terms without notice to the above bank.

## ATTACH A VOIDED CHECK OR DEPOSIT SLIP FROM ABOVE ACCOUNT

### MAIL THIS COMPLETED FORM TO:

**Flint Hills Resources, LP**  
**CREDIT DEPARTMENT**  
**P.O. Box 2917**  
**Wichita, KS 67201-2917**  
**Fax (316)828-7745**

### INTERNAL USE ONLY

Customer A/R Number \_\_\_\_\_  
MELE / Terms \_\_\_\_\_ / \_\_\_\_\_  
Entered into System \_\_\_\_\_ / \_\_\_\_\_

**Flint Hills Resources, LP**

**Credit Department**

**P.O. Box 2917**

**Wichita, Kansas 67201-2917**

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